Texas ExtraCredit
EDUCATION LOANS
by Higher Education Servicing Corporation

PROGRAM DISCLOSURES

1) Fixed Interest Rates, APRs and Repayment Examples
The current fixed interest rates range from 2.99% to 7.38% in effect as of 07/05/2023. The fixed interest rate and Annual Percentage Rate (APR) may be higher depending upon (1) the applicant's and cosigner's (if applicable) credit histories (2) the repayment option and loan term selected, and (3) the requested loan amount and other information provided on the online loan application. If approved, the applicant(s) will be notified of the rate qualified for within the stated range. APRs range from 2.74% (with Auto Pay Discount6) to 6.89%. Lowest rates are only available for the most creditworthy applicants. The APR reflects the estimated total cost of the loan, including upfront fees, accruing interest and the effect of capitalized interest. The lowest APR example assumes a $10,000 loan disbursed in a single transaction; the highest APR example assumes a $10,000 loan disbursed over two transactions. The lowest current APR, based on a 5-year repayment term (60 months), an immediate repayment plan, monthly principal and interest payments of $178.53, has a 2.74% interest rate which includes a 0.25% interest rate reduction for payments via auto pay6. The highest current APR, based on a 15-year repayment term (180 months), a deferred repayment plan with a deferment period of 60 months upon initial disbursement, a six-month grace period before repayment begins, monthly principal and interest payments of $128.78, has a 7.38% interest rate. The fixed interest rate assigned to a loan will never change except as required by law or if you request and qualify for the ACH reduction benefit(s) or Graduation reward (Graduation reward is only applicable for Student loans). Repayment terms and options available may vary depending upon the amount borrowed.

2) Credit Review and Approval
The initial credit review is based on review of all the information you and your cosigner (if applicable) provide during the application process and the information obtained from your credit report(s). If you pass the initial credit review, you will need to provide acceptable documentation such as your income verification and Applicant Self-Certification Form and we will need the certification from the school before the final loan approval.

3) How Much Can You Borrow
Borrow from $1,000 to $65,000 annually (loans are certified by the school and may not exceed full cost of education minus other financial aid) - maximum aggregate loan limit is $150,000, inclusive of all student loan debt.

4) Past Due Balances
Program loans may be used to cover educational expenses for academic periods that end up to 90 days prior to the application date.

5) Graduation Benefit - 0.25% Interest Rate Reduction
Student borrowers who earn a bachelor's degree or higher will receive a 0.25% interest rate reduction if (a) they have made no more than one (1) late payment (more than 10 days late) on the loan, (b) they request the benefit from the servicer within one (1) year after graduation, and (c) they provide proof of graduation to the servicer. Borrowers are only eligible to receive one (1) 0.25% interest rate reduction Graduation Benefit per loan, regardless of the number of degrees they may earn. The interest rate reduction will only apply to the loan(s) you received for the degree earned. If you apply for an additional loan after receiving the initial interest rate reduction and you earn another bachelor's degree or higher, you may request the interest rate reduction be applied to the subsequent loan(s) as long as you meet the stated eligibility requirements at the time of the subsequent request. The student must request this benefit via phone, email or mail and must provide either a certified copy of a diploma or a certified transcript. Upon the servicer's review and acceptance of the student's documentation, the servicer shall send a confirmation letter stating that the graduation benefit has been granted.

6) Auto Pay Discount - 0.25% Interest Rate Reduction
An interest rate reduction of 0.25% is available for borrowers who make monthly electronic funds transfer (EFT) payments of principal and interest from a savings or checking account. To qualify, the borrower needs to arrange with the loan servicer to automatically deduct monthly principal and interest payments from a bank account. The automatic payment benefit may be discontinued and be lost for the remaining repayment period in the event any three payments are returned for insufficient funds over the life of the loan. This benefit is not available for interest payments made during the deferment period for the Interest Only Repayment option. This benefit may be terminated during deferment and forbearance periods, but can be re-established if borrower reapplies at the end of the deferment or forbearance period.

7) Cosigner Release for 24 Consecutive Monthly Payments
Request for the cosigner to be released can be made after the first 24 consecutive, on-time monthly payments (not later than ten days after the due date) of principal and interest have been made. At the time of request for cosigner release, the student borrower must (a) meet credit criteria in place for cosigner release, (b) be currently enrolled for automatic deduction of monthly payments from a savings or checking account at the time of the cosigner release application, and (c) must have had at least one payment deducted electronically from such bank account prior to the time of the cosigner release application. Lump sum payments will count as a single payment. If the borrower is granted a forbearance or makes a lump sum payment in excess of the monthly payment amount during the first 24 months of the Repayment Period that permits the borrower to skip one or more scheduled monthly payments, the borrower may lose the ability to qualify for the Cosigner Release Benefit.

8) Total and Permanent Disability

In the event a student Borrower becomes Totally and Permanently Disabled, the student Borrower, or his/her representative, may contact the Servicer by phone or mail to request information regarding the Lender's Total and Permanent Disability (TPD) discharge. Any Loan that has not previously become a charged off Loan or that is not currently in default may be discharged due to the student Borrower's Total and Permanent Disability, as defined by the Lender's TPD Terms and Application. The definition of TPD, the application form for a TPD discharge, the required supporting documentation, and other terms, limitations, conditions and requirements for a TPD discharge ("TPD Terms") can be obtained by contacting the Lender or Servicer by phone or mail. The Servicer must receive a completed TPD Application within the timeframe stated within the application that complies with the requirements set forth by the Lender for a Loan to be discharged. If the student Borrower meets the TPD requirements set forth by the Lender, the Servicer shall write down any outstanding principal and accrued interest balance on the Loan to a zero balance (if the Loan has a Cosigner, the Cosigner's obligation to the Loan will be canceled). For additional information regarding TPD or to request an application, contact the Loan Servicer.

9) Borrower Death

If the student Borrower should die while enrolled at least half-time at an eligible institution, and the Loan is not in default, the student Borrower's estate and each Cosigner (or Cosigner's estate, if applicable) will be released from the Loan and the Servicer shall write down any outstanding principal and accrued interest balance on the Loan to a zero balance if the Servicer receives acceptable proof of death and proof of enrollment at an eligible institution at the time of death. If the student Borrower dies and the Loan is cosigned and does not qualify to be written down to zero, the Loan will be charged off and the Cosigner (or Cosigner's estate, as applicable) will be released from any further obligation. The Servicer may attempt to file a claim against the student Borrower's estate for any unpaid debt under this Credit Agreement. Any payments received from the student Borrower's estate, less collection costs, will be applied to all applicable Loan(s). If the student Borrower dies for a Borrower only Loan and the Loan does not qualify to be written down to zero, the Loan will become a charge off Loan. The Servicer may attempt to file a claim against the student Borrower's estate for any unpaid debt under this Credit Agreement. Any payments received from the student Borrower's estate, less collection costs, will be applied to all applicable Loan(s). If a Cosigner dies, the Servicer will continue to service the Loan in accordance with the Credit Agreement as the student Borrower is still obligated to the debt. The Servicer may attempt to file a claim against the Cosigner's estate for any unpaid debt under this Credit Agreement. Any payments received from the Cosigner's estate, less collection costs, will be applied to all applicable Loan(s). If the student Borrower, Cosigner, or any of their respective estates are released from obligations under this section, no refund will be paid for prior payments made on the Loan.

10) Parent Loan Total and Permanent Disability

In the event a Borrower becomes Totally and Permanently Disabled, the Borrower, or his/her representative, may contact the Servicer by phone or mail to request information regarding the Lender's Total and Permanent Disability (TPD) discharge. Any Loan that has not previously become a charged off Loan or that is not currently in default may be discharged due to the Borrower's Total and Permanent Disability, as defined by the Lender's TPD Terms and Application. The definition of TPD, the application form for a TPD discharge, the required supporting documentation, and other terms, limitations, conditions and requirements for a TPD discharge ("TPD Terms") can be obtained by contacting the Lender or Servicer by phone or mail. The Servicer must receive a completed TPD Application within the timeframe stated within the application that complies with the requirements set forth by the Lender for a Loan to be discharged. If the Borrower meets the TPD requirements set forth by the Lender, the Servicer shall write off any outstanding principal and accrued interest balance on the Loan to a zero balance. For additional information regarding TPD or to request an application, contact the Loan Servicer.

11) Parent Loan Death Forgiveness

If the student beneficiary should die while enrolled at least half-time at an eligible institution, and the Loan is not in default, the Borrower will be released from the Loan and the Servicer shall write down any outstanding principal and accrued interest balance on the Loan to a zero balance if the Servicer receives acceptable proof of death and proof of enrollment at an eligible institution at the time of the student beneficiary's death. If the student beneficiary dies and the Loan does not qualify to be written down to zero, the Servicer will inactivate the student beneficiary record on the Loan and continue servicing the Loan in accordance with the Credit Agreement as the Borrower is still obligated to the debt. If the Borrower dies, the Loan will become a charge off Loan. The Servicer may attempt to file a claim against the Borrower's estate for any unpaid debt under this Credit Agreement. Any payments received from the Borrower's estate, less collection costs, will be applied to all applicable Loan(s). If the Borrower is released from obligations under this section, no refund will be paid for prior payments made on the Loan.

12) Repayment Options

Immediate repayment of principal and interest ("Immediate Repayment") — The first payment of principal and interest is due within thirty (30) to sixty (60) days after the date of the last disbursement.

Deferment of principal, Borrowers make interest only payments ("Interest Only") — Principal is deferred and interest is paid for a period of time designated in the Credit Agreement (but no more than sixty-six (66) months after the first disbursement), while the student remains enrolled at least half-time at an Eligible Institution, including six (6) months after graduation or separation from the Eligible Institution. For Loans with deferred principal payments, interest payments begin thirty (30) to sixty (60) days after the Loan's first disbursement, and principal payments begin six (6) months after graduation (or if the student ceases to be enrolled at least half-time prior to graduation, repayment of principal begins six (6) months after that event).

Full deferment of principal and interest ("Full Deferment") — Both principal and interest are deferred for a period of time designated in the Credit Agreement (but no more than sixty-six (66) months after the first disbursement), while the student remains enrolled at least half-time at an Eligible Institution, including six (6) months after graduation or separation from the Eligible Institution, as stated in the Credit Agreement. The first payment of principal and interest is due within thirty (30) to sixty (60) days after the Deferment End Date.