Your student’s financial aid package indicates that you are eligible to apply for a low-cost Federal PLUS Loan under the Federal Family Education Loan Program. Many families find PLUS an attractive alternative to using lifetime savings and investments for educational expenses.

WHO IS ELIGIBLE?
Parents, stepparents and adoptive parents of dependent undergraduate students attending school at least half time are eligible for PLUS Loans. Borrowers must be U.S. citizens or eligible residents. Loan approval is subject to credit criteria established by the U.S. Department of Education and your lender. A credit report will be obtained from a national credit bureau once you submit the attached application to your lender.

PREAPPROVAL
For your convenience, the School of Visual Arts has made arrangements with several preferred lenders to preapprove eligible borrowers. This will expedite the process and allow us to inform you of your eligibility in a timely manner. In order to participate in this preapproval process, please complete the Federal PLUS Loan Preapproval Form and submit it to the lender you select from the list on the next page. The lender will notify both you and SVA of the credit decision within 48 hours of receipt of the completed form.

PLUS LOAN FEATURES AND BENEFITS
➤ Can be used to supplement your child’s Federal Stafford Loan funding, up to the full cost of education (less other financial aid)
➤ Is not dependent on your family’s income or assets; credit checks are required
➤ Has a low variable interest rate that won’t exceed 9%
➤ Does not require collateral or co-signers
➤ Payments may be postponed up to three years in cases of economic hardship
➤ Can be repaid fully or in part at any time without penalty
➤ Loan debt is forgiven should you or your child die, or you suffer permanent total disability

INTEREST RATE AND FEES
The variable interest rate is calculated annually by adding 3.10% to the 91-day T-bill rate with a maximum rate of 9%. A 3% federal origination fee and up to 1% guarantee fee are deducted from your loan proceeds prior to disbursement.

DISBURSEMENTS
PLUS Loan funds are released in two equal disbursements directly to the school via electronic funds transfer (EFT). Funds are directly deposited into your child’s school account upon verification of your child’s enrollment.

REPAYMENT
Interest begins accruing from the date funds are made available by the lender and repayment begins within 60 days of the second disbursement of the loan. You will have up to 10 years to repay the loan.

Please retain this sheet for your records. If you have any questions about your loan, how to handle the application or the preapproval process, please call the Office of Financial Aid at 212.592.2030. We may be faxed at 212.592.2029 or send an e-mail to fa@sva.edu.

S V A | School of VISUAL ARTS®

Office of Financial Aid
209 East 23 Street, New York NY 10010-3994
Tel: 212.592.2030  Fax: 212.592.2029
Email: fa@sva.edu
Website: www.schoolofvisualarts.edu
The School of Visual Arts highly recommends that you use one of the lending institutions listed below for your Federal Family Education Loan (FFEL). Lenders listed here are committed to making reliable, quality service available to their borrowers. If you have prior outstanding loans, and your lender is not listed here, you should obtain an application directly from that lender. All of the lending institutions listed on SVA's Preferred Lender List offer rate reduction benefits to their borrowers based on individual repayment performance. To find out more about each benefit program, contact the lenders directly.

### SVA Preferred Lenders

<table>
<thead>
<tr>
<th>Lender</th>
<th>Address</th>
<th>Lender Code</th>
<th>Tel</th>
<th>Fax</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citibank</td>
<td>P.O. Box 6128, Sioux Falls, SD 57117</td>
<td>826878</td>
<td>800.967.2400</td>
<td>800.967.8800</td>
<td>studentloan.com</td>
</tr>
<tr>
<td>College Board / CollegeCredit</td>
<td>c/o Sallie Mae, P.O. Box 59012, Panama City, FL 32412</td>
<td>830310</td>
<td>800.831.5626</td>
<td>800.377.4269</td>
<td>collegeboard.com</td>
</tr>
<tr>
<td>Key Bank</td>
<td>c/o Loan Servicing Center, P.O. Box 59012, Panama City, FL 32412</td>
<td>813760</td>
<td>888.272.5543</td>
<td>800.828.0250</td>
<td>key.com/educate</td>
</tr>
<tr>
<td>Nellie Mae</td>
<td>50 Braintree Hill Park, Suite 300, Braintree, MA 02184</td>
<td>829076</td>
<td>800.634.9308</td>
<td>800.931.2200</td>
<td>nelliemae.com</td>
</tr>
<tr>
<td>Student Loan Xpress</td>
<td>12770 High Bluff Drive, San Diego, CA 92130</td>
<td>833890</td>
<td>866.759.7737</td>
<td>866.289.7737</td>
<td>studentloanxpress.com</td>
</tr>
</tbody>
</table>

### Repayment Benefits

**CitiBank**
- E-Z Pay offers a 0.25% interest rate reduction when borrowers authorize electronic deduction of their monthly payments from a checking or savings account.
- Graduated Repayment and Income Sensitive Repayment offer payment plans that give borrowers the option of making interest-only payments. Income Sensitive Repayment also offers a payment option based on the borrower’s income.
- 1% principal reduction upon repayment.
- PLUS Loans automatically receive a 0.25% interest rate reduction upon repayment. Moreover, borrowers will receive an interest rate cap of 8.75% (standard cap is 9.00%).

**College Board / CollegeCredit**
- Direct Repay Plan*: 0.25% interest rate reduction when payments are automatically deducted from a checking or savings account.
- Select Step*: allows parents to pay interest-only payments for the first two years or up to four years of repayment, then step up payment to include both principle and interest due each month for the remainder of the loan term.

**Key Bank**
- Direct Repay Plan offers an interest rate reduction of 0.25% when borrowers authorize electronic deduction of their monthly payments from a checking or savings account.

**Nellie Mae**
- Direct Repay Plan*: 0.25% interest rate reduction when payments are automatically deducted from a checking or savings account.
- Select Step*: allows parents to pay interest-only payments for the first two years or up to four years of repayment, then step up payment to include both principle and interest due each month for the remainder of the loan term.

**Student Loan Xpress**
- All borrowers qualify for a 2% interest rate reduction immediately upon entering repayment, when loan payments are automatically deducted from a checking or savings account.
- For parents declined a Parent Loan, Student Loan Xpress offers the Second Look Program where they are afforded an opportunity to resolve credit issues.

*Select Step is a registered service mark and Direct Repay is a service mark of the Student Loan Marketing Association (Sallie Mae). These programs may be discontinued at any time without notice. Changes to these programs, if any, will not affect loans that previously qualified for these benefits.

**PLEASE NOTE:** Information is subject to change without notice. Please contact the lenders directly for eligibility requirements and program details.

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Check with your lender for details and conditions regarding eligibility. If you default on your loan and it is purchased by the guarantor, any interest rate reductions will no longer be applicable.
PLUS Loan Preapproval Form

PLEASE PRINT OR TYPE INFORMATION

NOTE: Fax to the fax number listed below, or mail to the address indicated on the attached cover letter, according to the lender you have selected.

I authorize the lender noted to obtain a credit report for the purpose of making a preliminary credit determination of whether I qualify for a Federal PLUS Loan. I also authorize the lender to release the results of the preliminary credit determination to the School of Visual Arts and to provide the results to me as noted below.

Borrower Notification (check one)

☐ Mail
☐ Fax to: ( )

Borrower Information

*Parent’s Name:

Parent’s Social Security Number: – –

Parent’s Date of Birth (MO/DAY/YR): / /

Parent’s Street Address:

Parent’s City:

Parent’s State / Zip:

Parent’s Telephone: Home ( )

Parent’s Telephone: Work ( )

Parent’s Employer:

Employer’s Address:

Student’s Name:

(For whom you are borrowing)

Student’s Social Security Number: – –

*Definition of parent: The natural, stepparent or adoptive parent.

Amount You Wish to Borrow

$

Select Lender

☐ Citibank
☐ College Board / CollegeCredit
☐ Key Bank
☐ Nellie Mae
☐ Student Loan Xpress

Lender Code Fax Number
826878 800.967.8800
830310 800.377.4269
813760 800.828.0250
829076 800.931.2200
833890 866.289.7737

Select Loan Period

FULL YEAR ☐ September 2, 2003 – May 3, 2004
** FALL ONLY ☐ September 2, 2003 – December 17, 2003
** SPRING ONLY ☐ January 12, 2004 – May 3, 2004

**Contact your Financial Aid Advisor before selecting a single semester loan period.

Note: All loans will be processed for Fall and Spring, unless the above indicates otherwise.

Guarantor: New York State Higher Education Services Corporation (HESC)

School Code for School of Visual Arts: 007468

By signing below, I understand that any conditional approval I receive based upon a review of my credit report will be subject to financial information verification as the designated lender requires (including, in some cases, an updated credit bureau report), verification that I am eligible to borrow under the Federal PLUS Loan Program, and receipt by the lender of a signed, completed application/promissory note for a Federal PLUS Loan within thirty (30) days of the date of any conditional approval. Please call the designated lender at the customer service number noted on the attached sheet if you have any questions.

*Parent’s Signature

Date Signed

DECISION NOTICE/FOR BANK USE ONLY

Conditionally Approved

Denied

Date

By
Before applying for a PLUS Loan, we recommend that you complete this responsible borrower worksheet to help you clearly evaluate your ability to repay the loan. This worksheet will determine your debt-to-income ratio, which is the amount of your income compared to your monthly debt, excluding normal living expenses such as food, medical costs and utilities. Your debt-to-income ratio should be 50% or less. If your ratio is greater than 50%, we recommend that you consider reducing the amount of your PLUS Loan.

### MONTHLY GROSS INCOME

**Borrower’s Gross Monthly Income:** $__________________________

+ **Additional Income:** $__________________________

= **Total Gross Monthly Income:** $__________________________

### MONTHLY DEBT

**Mortgage/Rent Payment:** $__________________________

+ **Total Installment Debt:** $__________________________

(credit cards & personal loans)

+ **Automobile Payments:** $__________________________

+ **Other Obligations:** $__________________________

(business or other loans that you are paying on a monthly basis)

+ **Proposed PLUS Loan Payment:** $__________________________

= **Total Monthly Debt:** $__________________________

### DEBT-TO-INCOME RATIO

**Total Monthly Debt:** $__________________________

+ **Total Gross Income:** $__________________________

= **Debt-to-income Ratio:** %

(Should be less than 50% for responsible borrowing.)

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<table>
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<tr>
<th>Amount Borrowed</th>
<th>Monthly Payment Amount at Maximum Interest Rate of 9%</th>
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<tbody>
<tr>
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<tr>
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Payment chart is based on a 10-year repayment schedule.