

Arkansas Refinance Education Loan

The Arkansas Refinance Education Loan was designed for borrowers looking to refinance existing student loan debt to simplify repayment and lower the interest rates they are paying. Applicants who do not meet the underwriting and credit criteria on their own may apply with cosigners. The loan features:

- ▶ Fixed rates.
- ▶ Multiple repayment options.
- ▶ An interest rate reduction for using auto-debit during repayment.
- ▶ A cosigner release option.

Note: Aspire Servicing CenterSM has a contractual relationship with the Arkansas Student Loan Authority (ASLA), a Division of the Arkansas Development Finance Authority, wherein Aspire Servicing Center performs certain private student loan (private loan) services for the ASLA.

Repayment Options

There are three different repayment terms for the Arkansas Refinance Education Loan so that you can choose the one that works with your financial situation.

For more information, view the rates and examples on the following page.

Loan Amounts

The Arkansas Refinance Education Loan must be:

- ▶ At least \$5,000.
- ▶ No more than \$250,000.

Eligible Loans

Borrowers may refinance the following loan types into the Arkansas Refinance Education Loan:

- ▶ Federal loans (William D. Ford Federal Direct Loan, Federal Family Education Loan and Federal Perkins Loan programs) including:
 - Undergraduate and graduate subsidized and unsubsidized student loans.
 - PLUS Loans taken out by parents or graduate/professional students.
- ▶ Private education loans.
- ▶ Previously refinanced or consolidated education loans.

Consumer loans, such as those used to attend coding bootcamps or other specialized training, are **not** eligible to be refinanced in an Arkansas Refinance Education Loan.



Loan Term	5-Year Term	10-Year Term	15-Year Term
Origination Fee	0%	0%	0%
Fixed Interest Rate	3.50%–5.90%	4.63%–6.65%	5.13%–7.03%
Repayment Period	5 years (60 months)	10 years (120 months)	15 years (180 months)
Examples for a \$10,000 Loan			
Annual Percentage Rate (APR)	3.50%–5.90%¹	4.63%–6.65%²	5.13%–7.03%³
Finance Charge	\$914–\$1,570 ¹	\$2,511–\$3,715 ²	\$4,355–\$6,206 ³
Monthly Payment	\$182–\$193 ¹	\$104–114 ²	\$80–\$90 ³

¹ Annual percentage rate, finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 3.50% to 5.90% during the 60-month repayment period.

² Annual percentage rate, finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 4.63% to 6.65% during the 120-month repayment period.

³ Annual percentage rate, finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 5.13% to 7.03% during the 180-month repayment period.

Repayment Benefits

Interest-Rate Reduction

Earn a 0.25% interest rate reduction on your Arkansas Refinance Education Loan by making auto-debit payments.

The 0.25% interest rate reduction will apply once Aspire Servicing Center begins to automatically deduct payments and will remain in effect as long as automatic payments continue without interruption during the repayment period. The 0.25% interest rate reduction will not lower the monthly payment amount but will instead reduce the interest amount that accrues. The interest rate reduction will be suspended during approved assistance or if automatic payments are rejected due to insufficient funds.

Cosigner Release

Arkansas Refinance Education Loan borrowers can release their cosigners from payment obligations:

- ▶ After 48 consecutive monthly payments are received on time.
- ▶ If the borrower meets the underwriting and credit criteria at the time the cosigner release is requested.

Armed Forces Interest Reduction

ASLA recognizes and appreciates the sacrifices made by members of the military and their families. To assist service members with their student loan, we offer an Armed Forces interest reduction program. Through the program, service members can get interest reduced to 0.00% on their private student loans.

You may be eligible for the program if you meet all the following requirements:

- ▶ While on federal active duty, you have a non-defaulted private student loan owned by ASLA during the period of eligibility.
- ▶ You are deployed between Sept. 11, 2001, and June 30, 2019.

Note: ASLA is required to issue a 1099-C form to the IRS and the borrower reporting a reduction of indebtedness of \$600 or more. You should consult your tax adviser regarding any tax consequences resulting from an interest reduction.

Eligibility and Underwriting Criteria

Arkansas Refinance Education Loan borrowers and cosigners cannot have defaulted on any private or government student loan. In addition, borrowers and cosigners must be citizens or permanent residents of the United States. Cosigners must reside in the United States. Military addresses are considered U.S. addresses if designated as an APO or FPO.

To qualify for the Arkansas Refinance Loan, you or your cosigners must:

- ▶ Have monthly payments for approved credit (mortgages, rent, car loans, credit cards and other forms of credit, including the loan for which the student has submitted an application) that do not exceed 40% of gross monthly income (if a mortgage or rent is not included, debt-to-income ratio cannot exceed 25%). All student loan debt will be treated as though it is in repayment.
- ▶ Have a FICO score of at least 670. (The FICO score used is the TransUnion FICO Score 4, which is based on data from TransUnion and may be different from other credit scores. FICO is a registered trademark of the Fair Isaac Corporation.)
- ▶ Have no more than two accounts reporting 30-day delinquencies and no delinquencies of 60 days or more during the previous two years.
- ▶ Have no charge-offs, repossessions, collection accounts, judgments, foreclosures, garnishments by credit providers or tax liens.
- ▶ Have no previous bankruptcies.

Please note that the list of criteria above may not be exhaustive. ASLA may require you or your cosigners to meet additional criteria in order to qualify for a loan. ASLA reserves the right to change the list of criteria in any way from time to time without notice.