

# MODEL STUDENT LOAN DISCLOSURE FORM B

Prepared by the Attorney General's Office Pursuant to Iowa Code § 261F.5 (4)

*This form is only to be used in conjunction with Federal Reserve Form H-18 Private Education Loan Application and Solicitation Model Form.*

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## ADDITIONAL IOWA STUDENT LOAN DISCLOSURES

### A. Co-Borrower Requirements

A co-borrower is required for this student loan if [*insert conditions which require a co-borrower, i.e. income and employment requirements*].

### B. Repayment of Loan Information

Repayment of your loan begins [*insert time, e.g. 6 months after you leave school*]. (If this is placed on form H-18 in the Loan Cost Examples section, then it need not be included).

You can prepay the loan in whole or part at any time without penalty. (If this is placed on form H-18 in the Loan Cost Examples section, then it need not be included).

### C. Additional Terms and Conditions

Your loan is subject to all of the terms and conditions of your credit agreement/promissory note. Please read your credit agreement/promissory note carefully, it may include terms under which the interest rate on the loan may change. To obtain a copy of your credit agreement/promissory note, please **(insert instructions to get a copy)**. (*In addition to referring the borrower to the agreement, the lender may also choose to highlight key additional terms and conditions*).

-Or-

The following terms and conditions represent all of the additional terms and conditions that are applied to this loan. Please read these terms, they may include terms under which the interest rate on the loan may change.

1.
2.
3.
4.
5.

**D. Consequences of Loan Default**

There are serious consequences if you default on this loan. For example, under normal circumstances, student loans are not dischargeable in bankruptcy. In order to discharge a loan in bankruptcy, the borrower must prove undue hardship in an adversary proceeding before the bankruptcy court.

Additional consequences of default on this loan include:

*Lender to insert known default consequences, see examples below.*

- *Lender may report the late payment history to credit reporting agencies, which will adversely affect your credit rating and ability to get more credit*
- *Interest will continue to accrue on the outstanding principal balance*
- *Lender may take legal action*
- *Borrower will become ineligible for further loans from the lender*
- *Lender may garnish the Borrower's wages*
- *Full amount of the loan will become due immediately.*

**E. Lender/Service Contact Information**

If applicable and different from the Contact Information listed on the top of the Federal Reserve H-18 Private Education Loan Application and Solicitation Model Form, provide the contact information for the department or division primarily responsible for issues arising from the lender's issuance of private educational loans to borrowers attending covered institutions within the state of Iowa. The Iowa disclosure requires an email and web site address which may be added to the Federal disclosure directly below the creditor phone number. *The lender may use any format for presenting the information below, so long as all the information is displayed in a readable and understandable manner.*

Name		
Address		
City	State	Zip Code
Phone No.		
Email Address		
Web Site Address		