

UNDERSTANDING YOUR DEFERRED INTEREST LOAN

What does it mean to have “No Interest if Paid in Full within the Promotional Period?”

We are committed to helping you understand how your Nelnet Bank loan works. While the details of your loan are described throughout this package, the information and frequently asked questions below are designed to provide you with helpful information regarding your loan.

Your loan is a “deferred interest” (also referred to as “No Interest if Paid in Full”) loan. This means that:

- **INTEREST WILL ACCRUE DURING THE PROMOTIONAL PERIOD.**
- But, if you pay off your entire purchase balance before the end of the promotional period, all accrued interest will be waived.
- **If you do not repay your entire purchase balance before the end of the promotional period,** you will be responsible for paying all interest that was accrued during the promotional period and any interest that accrues after the expiration of the promotional period.

Frequently Asked Questions

Q. How long is the “promotional period” for my loan?

A. You have 365 days from the date of your first disbursement to pay the principal amount in full in order to avoid interest.

Q. Do I have to make payments during the “promotional period”?

A. The Truth in Lending disclosures, provided in your loan agreement, will tell you whether you have payments due during the promotional period. Even if you don't have to make payments during the promotional period, it is a good idea to make regular payments to minimize any deferred interest you might owe if the purchase balance is not paid in full before the end of the promotional period.

Q. How will I know how much to pay and by when in order to satisfy the promotional offer?

A. Payment information is outlined in your loan agreement, and you will also be provided a separate notice detailing the promotional financing offer after signing.

Q. My contractor is offering refinancing at the end of the “promotional period”. How should I evaluate that offer?

A. Contractors are not allowed to make refinancing offers (either verbally or in writing) in connection with this loan. If your contractor has made any refinancing offers, please report it to us immediately. A customer's credit situation can change and relying on obtaining refinancing to pay-off the deferred interest loan before the end of the promotional period is not advisable.

Q. What if I still have questions?

A. You have no obligation on your loan until you authorize a transaction. If you have any questions about your deferred interest loan and your responsibility to repay, please contact us before authorizing a transaction.

By authorizing a transaction and accepting your loan, you are acknowledging that you understand you are responsible for repaying this loan and agree that your contractor has not promised to issue or arranged to issue a loan with another lender to repay this loan.