

A Smart Alternative to *Student Loans*

1

What Happens When You Borrow

\$1,000 borrowed = \$1215 repaid.



Loan amounts can grow faster than you realize due to interest.¹



How to Stay Debt-Free with a Payment Plan

2

Instead of borrowing \$1000/ year, enroll in a 10-month payment plan:

- \$500/month from part-time job²
- \$100/month paid to tuition
- No debt after 10 months!

A small monthly payment can save you thousands in interest.

3

Comparison: Payment Plans vs. Loans



Total cost utilizing a payment plan for four years. (\$4000)

VS.



Total loan repayment costs over 10 years. (\$5,760)

Choose a payment plan and avoid interest altogether.³

This example uses some very simple dollar amounts and national averages for interest and wages. Please feel free to view our chart with full calculations and sources here.



[1] Based on compounded interest rate of 5% annually.

[2] 10 hrs. per week at \$14/hr = \$588/month

[3] All available plans and applicable payment options, fees, and disclosures will be presented to you during the enrollment process. Enrollment in, and availability of plans may be subject to applicable state law limitations in addition to any requirements of your school. An enrollment fee will apply, and other fees may apply to the extent permitted by law. The fee is determined by your school.

The enrollment fee is considered a finance charge which is defined by federal regulations as "the cost of consumer credit as a dollar amount". In order to compare this cost to other forms of credit, Transact provides the equivalent annual percentage rate (APR) during the enrollment process, which takes into account a number of variables, including the number of payments, the term, and the amount financed.