

**Income Share Agreement (ISA) Final Disclosure**

**STUDENT:**  
[Student Name]  
[Address]

**Better Future Forward  
Opportunity ISA Fund (CP1), LLC:**  
20711 Holt Avenue  
P.O. Box 1063  
Lakeville, MN 55044

**RIGHT TO CANCEL**

You have the right to cancel this transaction, without penalty, by midnight on [deadline for cancellation]. No funds will be disbursed to you or to your school until after this time. You may cancel by calling us at (651) 401-8401.

**Income Share Agreement Terms**

After you graduate or leave your institution, and after a six month grace period, your payment term will begin. The total amount you will pay will vary depending on your actual income and therefore may be more or less than the funding amount we provide to you. We will not and cannot tell you what job you take, if any, after you leave school. Here is how your income share works:

<b>Funding Amount</b>	<b>Income Share</b>	<b>Payment Term</b>
<b>\$(x)</b>	<b>[x]%</b>	<b>240 months</b>
The amount of funds you will receive plus any funding charges	The percentage of you total annual income that you will share each month	The number of months during which you will share your income

**Itemization of Funding Amount**

<b>Amount Paid to You</b>	\$0
<b>Amount Paid to Others on your behalf:</b>	\$[X]
• [Your institution]	
<b>Total Amount Funded</b>	\$[X]
<b>Initial Charges</b>	\$0
• Application Fee	
• Disbursement Fee	
<b>Total Funding Amount</b>	\$[X]

**About Your Income Share Agreement:**

- Your income share agreement is not a loan or a scholarship.
- The income share percentage is not an interest rate or an annual percentage rate. It is the percentage of your income that you will return to us throughout the Agreement’s term.
- Your income share percentage is fixed. It will not change over the term of the Income Share Agreement.
- Your income share payments, the amount you will pay to us, will vary based on the amount of your earned income.
- **Cap and prepayment:** Your payment obligation ends when your payments, including any prepayments, reach the total payment cap, and you’ve paid any outstanding payments and fees.

**Income Share Agreement Fees**

There are certain fees associated with applying for and disbursing the funding amount of your Income Share Agreement. Further, if you do not follow the rules of your Income Share Agreement, you may be responsible for the payment of additional fees to us.

<b>Application Fee</b>	\$0.00	<b>Stop Payment/Returned Check Fee</b>	\$30.00
<b>Late Payment Fee</b>	\$7.80 or 5% of the payment whichever is greater	<b>Returned Item or Electronic Debit</b>	\$30.00
<b>Late Document Fee</b>	\$20.00	<b>Check by Phone Fee (if available)</b>	\$20.00

## Income Share Agreement Payment Example

Your income share payment will vary depending on your income and the total amount you pay to us may be more or less than the funding amount you initially receive. An ISA requires that you pay a fixed percentage of your income for a fixed term. However, if your payments, including any prepayments, reach the cap, your obligation will be complete early. The table and graph below demonstrate the monthly and total ISA payments for different levels of income.

Average Income Earned			
	Monthly Payments	Total Payments	# of Months Paid
Less than \$20,000			
\$20,000			
\$40,000			
\$60,000			
\$80,000			
\$100,000			
\$120,000			
\$140,000			
\$160,000			
\$180,000			
\$200,000			

## Income Share Agreement Obligations

You will have certain obligations both while you are attending college and after you leave school.

### While you are in school, you should provide us with:

- Your current contact information any time your contact information changes
- Your enrollment status and whether you are graduating or plan to take a leave of absence or leave school
- Any documents we request

### Your Obligations After You Leave School

- You should make your income share payments
- You should tell us if there is any change to information you have previously provided to us
- You should inform us of any change in employment status
- You should let us know if there is any increase or decrease in your income

## Reference Notes

### Income Share Agreements (ISA)

- An ISA does not create debt and is not a loan. Instead, an ISA is your obligation to make payments which are indexed to your income. An ISA is not an assignment of your income, rather BFF will use your income to determine the amount you owe to us. Throughout the term of your ISA, your income share percentage will not change. Thus, if your income increases, your payments will increase. If your income decreases, so do your payments. The amount you pay to us may be more or less than the funding amount you receive.

### Monthly Payments

- You will begin making payments on the first day of the month following six months after you graduate, withdraw from school, or are no longer considered to be enrolled. We will calculate your first monthly payments using a verifiable source of your income acceptable to us.
- Each year we will reconcile over- or under-payments made in prior year using your year-end IRS tax documentation approved by us. You must reimburse us for any under-payments, and we will credit your account for any over-payments.

### What Happens if You do not Provide us with Required Information

- You will have an obligation to provide us with new tax documentation every year. If you do not provide us with that documentation by the specified due date, you will be charged a fee of \$20.00 and be considered in breach of the agreement. Upon providing us with your tax documentation, we will adjust your payments accordingly and reconcile any over- or under-payments made during this time.

### Forbearance, Prepayment and Termination

- At your discretion, you can take up to 12 months of forbearance, continuously or separately, during the payment term, but not more than three months at any given point. During a forbearance, you will not be required to make payments. Months you are in forbearance will not be credited toward the payment term.
- You may terminate your ISA at any time by making a payment equal to payment cap.

See your ISA contract for additional information.