



# ISA APPLICATION & SOLICITATION DISCLOSURE (ASD)

**\*\*\* THIS IS NOT A  
LOAN OR CREDIT \*\*\***

**Back a Boiler – ISA Fund**  
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## INCOME SHARE AGREEMENT (ISA) TERMS

Based upon the information you provide, you may be eligible for an **ISA Amount** ranging from:

**\$5,000 to \$34,000**

Based on your request for an ISA to cover all or part of your tuition, your **Income Share** for every \$1,000 of funding will be between:

**0.173% and 0.458%**

of your total gross Earned Income for every \$1,000 of funding over a **Payment Term** of:

**80 to 116 months**

### Your obligation during the life of the ISA

- **Your Income Share is a fixed percentage of your future Earned Income you will owe in return for the ISA Amount** credited to your account. It is not an interest rate or annual percentage rate.
- **Your Income Share is fixed.** It will be based upon your ISA Amount, your major or program, and your class level. Please visit the **Back a Boiler Comparison Tool** (<http://compare.BackABoiler.org>) for Income Shares and payment outcomes with other ISA Amounts. If approved, we will notify you of the Income Share you qualify for within the stated range.
- **Your monthly payments will vary based on your earned income.** The total amount you will pay may be **more or less than** your ISA Amount.
- **The maximum you will pay is 2.31 times your ISA Amount.** You may also pay this Payment Cap (less any payments made to date plus any outstanding fees) in order to extinguish your obligations before the Payment Term ends.
- **Your Monthly Minimum Income Threshold** is \$1,666.67 per month (equivalent to \$20,000/per year). You will not be required to make payments for any month in which your Earned Income is below this threshold.

**Late Fee** – The lesser of \$5 and 5% of the payment amount due. **Returned Payment Fee** – \$25 (\$20 for NY residents).

### Payment Illustration

ISAs are different from loans (which have principal and interest payments and may charge an origination fee) and tuition payment plans (which require repayment in full and may charge interest or a finance charge). An ISA requires you to pay a fixed percentage of your Earned Income each month for up to the Maximum Number of Monthly Payments. The table below illustrates the monthly payment amount, number of monthly payments, and total amount that would be paid under different Income Shares with various levels of Earned Income.

Earned Income		\$10,000.00 ISA Amount \$23,100.00 Payment Cap								
		1.73% income share, Max. of 80 monthly payments			3.31% income share, Max. of 96 monthly payments			4.58% income share, Max. of 116 monthly payments		
Monthly Income	Annual Equivalent	Monthly Payments	Number of Payments	Total Payments	Monthly Payments	Number of Payments	Total Payments	Monthly Payments	Number of Payments	Total Payments
< \$1,666.67	< \$20,000	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0
\$ 1,666.67	\$ 20,000	\$ 29	80	\$ 2,307	\$ 55	96	\$ 5,296	\$ 76	116	\$ 8,855
\$ 3,333.33	\$ 40,000	\$ 58	80	\$ 4,613	\$ 110	96	\$ 10,592	\$ 153	116	\$ 17,709
\$ 5,000.00	\$ 60,000	\$ 87	80	\$ 6,920	\$ 166	96	\$ 15,888	\$ 229	101	\$ 23,100
\$ 6,666.67	\$ 80,000	\$ 115	80	\$ 9,227	\$ 221	96	\$ 21,184	\$ 305	76	\$ 23,100
\$ 8,333.33	\$ 100,000	\$ 144	80	\$ 11,533	\$ 276	84	\$ 23,100	\$ 382	61	\$ 23,100
\$ 10,000.00	\$ 120,000	\$ 173	80	\$ 13,840	\$ 331	70	\$ 23,100	\$ 458	51	\$ 23,100

### About this illustration

Monthly payments are determined based on monthly Earned Income; annual income equivalents are included for illustration purposes only. **This illustration assumes that your income remains constant and may not apply to your specific circumstances.** All payments in this illustration have been rounded to the nearest dollar. For additional information about possible income outcomes after graduation, see the separate "Earned Income of Employed Workers by Undergraduate Major" table at the end of this document.



## LOAN ALTERNATIVES

Loan Program	Current Interest Rates	Total Payments on \$10,000 Received*
STAFFORD (subsidized & unsubsidized)	4.529% (sub) 4.529% (unsub)	\$12,587 (sub) \$13,204 (unsub)
For undergrad & grad students	6.079% (graduate)	\$14,403 (graduate)
PLUS (unsubsidized) For parents & grad/prof students	7.079% fixed	\$15,720
PRIVATE (unsubsidized) No cosigner	9.500% fixed	\$17,126

**Note:** Because of origination fees, borrowers must take out loans of \$10,107 (Stafford) and \$10,442 (PLUS) to receive \$10,000 of educational funding, and the total payments reflect those loan amounts. There are no origination fees for Perkins loans and most private education loans. The private loan interest rate of 9.50% is representative of private loans without a cosigner. This example assumes 9 months of enrollment, 6 months of grace, that interest is capitalized for unsubsidized loans after the grace period, and that payments are made under a level, 120-month payment schedule. All dollar figures are rounded to the nearest dollar. Federal loan interest rates and origination fees are set by Congress every June.

### You may qualify for federal education loans.

For additional information, contact the Division of Financial Aid or the Department of Education at: <http://www.federalstudentaid.ed.gov>

### Scholarships and private loans are another alternative to federal loans and ISAs.

For additional information, see: <http://www.consumerfinance.gov/paying-for-college>

### You should seek advice about your education financing options from a trusted advisor.

### NEXT STEPS

- **Find out about other financing options.** Contact the Division of Financial Aid (<http://www.purdue.edu/dfa>) for more information about this ISA and other financing options.
- **To apply for this ISA, complete the application.** If you are approved for this ISA, the contract terms offered will be available for 30 days. These contract terms will not change during this period, except that we may reduce the ISA Amount and change contract terms accordingly if your cost of attendance has decreased or if your other financial aid has increased.

## REFERENCE NOTES

An ISA is not a loan or other credit instrument. It represents your obligation to make payments linked to a specific percentage of your Earned Income and does not give us any rights regarding the direction of your educational, training, employment, or other life pursuits.

### Eligibility Criteria

- You must be a sophomore, junior, or senior enrolled full time in a Purdue bachelor's-level academic program—or enrolled in the PharmD or DVM programs—and you must be making satisfactory academic progress (as defined by Purdue).
- You must be a U.S. citizen (includes naturalized citizens) or permanent resident.
- You must be at least the age of majority for your current state of residence.
- Your total obligations under all income-based agreements with us or another person must not require you to pay an aggregate Income Share in excess of 15% of your gross Earned Income in any given month.

### Making Payments; Refunds; Prepayment

- You will have a 6-month Grace Period after you leave Purdue or your enrollment status drops to less than half time. You will not make monthly payments based on income earned during your Grace Period.
- You will be required to make monthly payments based on income earned **after** the Grace Period ends. Payments will be due on the 1<sup>st</sup> day of each month in connection with income earned in the prior month.
- If you leave Purdue during the course of study or training being financed by this ISA, Purdue's refund policy provides that you may still be responsible to pay for some or all of your ISA.
- You may extinguish your obligation under this ISA at any time by paying a Prepayment Amount equal to 2.31 times your ISA Amount, less any prior payments made and plus any outstanding fees.

### Circumstances When Payments Are Not Required (Deferments)

- No payments will be required in any month for which you provide appropriate documentation showing that your monthly Earned Income is below \$1,666.67 (equivalent to \$20,000/per year). We may extend your payment term by one month for each month in which no payment is due, up to an additional 60 months, unless you are employed full time or are unemployed.
- Months in which no payment is due are not credited toward your Maximum Number of Monthly Payments.

### Information You Must Provide; Annual Reconciliation

- One month before the due date of your 1<sup>st</sup> payment, you must provide to us acceptable documentation of your monthly income. If you do not provide acceptable documentation, we may estimate your income based on the average full-time income for occupations directly related to the course of study for which this ISA will be used (determined based on federal U.S. data). If you subsequently provide acceptable documentation of your income, we will use that information instead.
- Every time your income changes and by April 30 of each year, you must provide updated, acceptable documentation of your income. For each year of your Payment Term, if you do not provide the required information by April 30, we will assume that your income has increased by 10%.
- On or before April 30 of each year of your Payment Term, you must provide acceptable documentation demonstrating all of your Earned Income for the prior year and authorization to obtain your tax return information directly from the Internal Revenue Service or similar taxing authority. We will use this information to confirm your payment amounts were correct. You must reimburse us for any underpayments, and we will credit your account for any overpayments.

### Default

- If your payments are late by 270 days or more, we may declare your account to be in default.



## Earned Income of Employed Workers by Undergraduate Major Category

### Persons aged 25–34 with a Bachelor’s Degree

Undergraduate Major Category	Percent of Workforce	Earned Income Distribution					
		Average	10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
Agricultural Sciences	1.1%	\$57,213	\$32,615	\$39,770	\$52,450	\$68,438	\$91,357
Architecture	0.7%	\$58,257	\$31,436	\$42,349	\$53,336	\$69,360	\$88,454
Arts & Humanities	1.2%	\$50,455	\$27,497	\$33,556	\$46,025	\$59,872	\$79,177
Biological Sciences	3.7%	\$54,211	\$31,092	\$36,892	\$47,798	\$67,647	\$86,742
Business & Management	24.0%	\$68,932	\$32,910	\$43,039	\$59,255	\$80,846	\$113,374
Communication Technologies	0.4%	\$52,561	\$26,570	\$34,697	\$48,513	\$62,770	\$84,661
Communications & Media	6.3%	\$57,706	\$28,174	\$37,534	\$50,781	\$69,367	\$94,852
Computer Sciences	4.8%	\$69,834	\$34,105	\$45,918	\$62,880	\$87,048	\$111,715
Construction Services	0.5%	\$72,762	\$36,452	\$51,525	\$69,410	\$86,591	\$112,298
Cosmetology & Culinary Arts	0.2%	\$45,036	\$24,686	\$31,965	\$41,693	\$55,435	\$76,688
Criminal Justice & Fire Protection	3.4%	\$52,690	\$26,003	\$34,165	\$46,040	\$63,730	\$83,632
Education	6.3%	\$45,002	\$28,667	\$34,965	\$42,311	\$51,093	\$64,973
Electrical & Mechanical Repairs & Technologies	0.1%	\$54,527	\$39,151	\$44,327	\$54,555	\$61,894	\$72,121
Engineering	8.3%	\$81,835	\$47,799	\$60,575	\$79,405	\$96,696	\$118,318
English Literature & Rhetoric	2.4%	\$49,214	\$23,564	\$32,056	\$43,550	\$59,582	\$79,625
Environmental Sciences	0.8%	\$49,303	\$27,172	\$34,738	\$46,792	\$61,162	\$73,800
Ethnic & Civilization Studies	0.3%	\$57,476	\$26,294	\$36,030	\$48,428	\$66,975	\$107,571
Family & Consumer Sciences	0.7%	\$44,503	\$22,682	\$29,538	\$38,758	\$51,509	\$72,619
Health & Medical Professions	5.9%	\$51,901	\$28,359	\$35,811	\$46,934	\$64,036	\$83,147
History	1.8%	\$52,442	\$30,670	\$35,985	\$47,231	\$59,169	\$77,240
Law & Legal Studies	0.2%	\$52,386	\$35,246	\$40,448	\$46,633	\$55,694	\$87,268
Library Science	0.0%	\$33,235	\$33,159	\$33,159	\$33,159	\$33,159	\$33,519
Linguistics & Comparative Language	0.7%	\$53,508	\$27,843	\$36,099	\$47,767	\$63,511	\$88,634
Mathematics & Statistics	1.0%	\$77,594	\$42,927	\$52,868	\$73,958	\$91,860	\$121,427
Military Technologies	0.0%	\$52,038	\$50,610	\$50,610	\$52,920	\$52,920	\$52,920
Multidisciplinary Studies	1.0%	\$57,380	\$36,356	\$41,102	\$53,012	\$66,431	\$86,916
Nuclear, Industrial, Biotech, & Radiological Technologies	0.0%	\$54,252	\$39,742	\$41,827	\$52,536	\$67,558	\$73,294
Philosophy & Religious Studies	0.5%	\$54,580	\$24,870	\$32,518	\$45,197	\$62,435	\$85,502
Physical Fitness, Parks, Recreation, & Leisure	1.9%	\$48,621	\$24,548	\$32,612	\$42,875	\$57,323	\$75,547
Physical Sciences	2.1%	\$59,698	\$38,036	\$45,192	\$55,264	\$69,996	\$84,764
Psychology	4.5%	\$47,479	\$33,426	\$37,083	\$45,261	\$56,726	\$64,485
Public Administration, Policy, & Services	1.1%	\$55,770	\$31,253	\$37,435	\$47,805	\$67,966	\$99,154
Social Sciences	7.2%	\$62,658	\$30,607	\$40,637	\$53,380	\$75,927	\$102,174
Technology	0.8%	\$66,921	\$37,633	\$49,457	\$63,623	\$80,014	\$101,400
Theology & Religious Vocations	0.4%	\$43,100	\$22,951	\$30,034	\$38,515	\$50,719	\$66,731
Transportation	0.3%	\$61,559	\$29,755	\$41,214	\$56,781	\$74,628	\$100,802
Visual & Performing Arts	5.6%	\$50,590	\$24,137	\$32,534	\$43,419	\$60,448	\$84,959
<b>Overall</b>	<b>100.0%</b>	<b>\$59,523</b>	<b>\$33,238</b>	<b>\$41,642</b>	<b>\$54,312</b>	<b>\$70,910</b>	<b>\$92,308</b>

**Source:** American Community Survey, US Bureau of the Census, 2015–17 Surveys (<https://www.census.gov/programs-surveys/acs/>).  
**Notes:** Earned income figures reflect wages, deferred income, and self-employment income for both full- and part-time workers with a bachelor's degree in each category of majors in the US. Dollar figures for 2015 and 2016 have been adjusted to 2017 dollars. For additional information about possible full-time salary outcomes after graduation for Purdue University students, visit the Purdue Center for Career Opportunities at <https://www.cco.purdue.edu/data> or the Back a Boiler Comparison Tool at <http://compare.backaboiler.org/>.