

**The Paul H. Nitze School
of Advanced International Studies**

The Bologna Center

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April 5, 2012

Dear Prospective Student,

Congratulations on being admitted to the Johns Hopkins SAIS Bologna Center. I am certain that you will find our program to be intellectually challenging, productive and rewarding. Nevertheless an American graduate education can be financially challenging, especially when aid resources are scarce. If you are a citizen of the European Union, or of Azerbaijan, Bosnia-Herzegovina, Croatia, Kazakhstan, Kirghizstan, Russia, Serbia, Turkey, or Ukraine, you have an additional instrument to finance your education with an **“Ad Honorem” loan** arranged by the Johns Hopkins University and the UniCredit Bank. Detailed terms of this special loan will be provided to you at the time you fill out the loan application but to facilitate your decision and planning process for your studies at the Bologna Center I want to share with you the basic terms of the loan:

- Loans range from 5,000 to 15,000 euro each and may be repeated for the second year of study if necessary. Loan applications will be made available to interested students at the beginning of the Fall 2012 semester for loan funds to be used for the Spring 2013 semester (tuition and living expenses).
- Payback period is 15 years.
- 2 year deferment (i.e., you begin paying the loan two years after you receive the funds). Interest will accrue during the deferment period, and deferment period is included in the 15 years.
- Interest rate is the 15 year European Interest Rate Swap (EURIRS) rate¹ plus a 1.45%² spread, fixed for the duration of the loan.
- There are no penalties for extinguishing the loan early.

It should be clear that while the Johns Hopkins University has developed this particular agreement so that our non-U.S. students can have comparable options to those available to U.S. citizens, we are in no way endorsing the UniCredit Bank. You are free to pursue other forms of credit with any and all institutions (an internet search of “Prestiti Master” will provide any number products, albeit with varying conditions and eligibility requirements). If you have any further questions, please do not hesitate to contact me directly at bdrakulich@jhu.it.

Sincerely,



Bart R. Drakulich
Director, Finance &
Administration

¹ The EURIRS is the benchmark fixed interest rate based on the EURIBOR. As of today, this rate would be IRS15 2.62% + 1.45% = %4.07. UniCredit applies the average EURIRS rate for the quarter preceding the one in which the loan application is signed.

² This 1.45% spread is the current negotiated spread for loans issued during the academic year 2012-2013. The rate is subject to change in future academic years.