

# Private Education Loan Application and Solicitation Disclosure

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Community First Credit Union  
105 1ST AVE SW  
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## Loan Interest Rate & Fees

Your **starting interest rate** will be between  
**5.50%** and **9.25%**

After the starting rate is set, your rate will then vary with the market.

### Your Starting Interest Rate (upon approval)

The starting interest rate you pay will be determined after you apply. It will be based upon your credit history and other factors (co-signer credit, school type, etc). If approved, we will notify you of the rate you qualify for within the stated range.

### Your Interest Rate during the life of the loan

**Your interest rate is variable.** This means that your rate could move lower or higher than the rates on this form. The variable rate is based upon the Prime Rate (as published in the "Money Rate" column of the Wall Street Journal). For more information on this rate, see the reference notes.

Although the rate will vary after you are approved, **it will never exceed 18.00%** (the maximum allowable for this loan).

## Loan Fees

**Late Charge:** 5% of the unpaid amount of the monthly payment amount due or \$10.00, whichever is less.

**Returned Check Charge:** \$25.00

## Loan Cost Examples

The total you will pay for this loan will vary depending upon when you start to repay it. This example provides estimates based upon the repayment options available to you while enrolled in school.

<b>Repayment Option</b> (while enrolled in school)	<b>Amount Provided</b> (amount provided directly to you or your school)	<b>Interest Rate</b> (highest possible starting rate)	<b>Loan Term</b> (how long you have to pay off the loan)	<b>Total Paid over 144 months</b> (includes associated fees)
<b>1. DEFER PAYMENTS</b> Make no payments while enrolled in school. Interest will be charged and added to your loan.	\$10,000.00	9.25%	144 months starting <u>after</u> the deferment period	<b>\$23,599.91</b>

### About this example

The Defer Payments example assumes that you remain in school for 4 years and have a 6 month grace period before you begin paying both principal and interest. All examples are based on the **highest starting rate currently charged** and associated fees.

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## Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type	
<b>STAFFORD</b> for Students	3.73% fixed	Undergraduate subsidized & unsubsidized
	5.28% fixed	Graduate unsubsidized
<b>PLUS</b> for Parents and Graduate/Professional Students	6.28% fixed	Federal Direct Loan

You may qualify for Federal education loans.

For additional information, contact your school's financial aid office or the Department of Education at:

[www.studentloans.gov](http://www.studentloans.gov)

## Next Steps

### 1. Find Out About Other Loan Options.

Some schools have school-specific loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at: <http://federalstudentaid.ed.gov> for more information about other loans.

### 2. To Apply for this Loan, Complete the Application and the Self-Certification Form.

You may get the certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for 30 days (terms will not change during this period, except as permitted by law and the variable interest rate may change based on the market).

## REFERENCE NOTES

### Variable Interest Rate

This loan has a variable interest rate that is based on a publicly available index, the Prime Rate. Your rate will be calculated twice a year by adding a margin between 0.00% and 6.00% to the Prime Rate. The minimum interest rate that will be charged is 5.50%.

The rate will not increase more than twice a calendar year, but there is no limit on the amount that the rate could increase however, the maximum rate is 18.00%.

### Eligibility Criteria

#### Borrower

Must be a US citizen or permanent resident who meets the required credit and residency criteria, or applies with a co-signer who meets the required criteria.

Must be a member of Community First Credit Union.

Must be enrolled at an eligible school at least half-time.

#### Co-signers

Rates are typically higher without a co-signer.

Must be a US citizen or permanent resident who meets the required credit and residency criteria.

Must be a member of Community First Credit Union with an active checking account with NET Direct Deposit from a payroll service.

### Bankruptcy Limitations

If you file for bankruptcy, you may still be required to pay back this loan.

### Additional Repayment Information

When your loan(s) enters repayment, your repayment term will be based on your aggregate total plus any interest that has accrued. At the time of repayment, Community First Credit Union will pull a new credit bureau and a new note will need to be signed.

Repayment will be based on the following total aggregate loan amounts:

<\$7,500	7 years
\$7,500 - \$10,000	10 years
>\$10,000	12 years

More information about loan eligibility and repayment deferral or forbearance options is available in your loan application and loan agreement.