

**Student Loan Refinance  
Variable Rate****CEFCU (Citizens Equity First  
Credit Union)**  
PO Box 1715  
Peoria, IL 61656-1715  
1-309-633-3474**Loan Interest Rate & Fees**Your **starting interest rate** will be between**8.250%**

and

**15.500%**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. The rate will be based your (or your cosigner's, if applicable) credit history and other factors. If approved, we will notify you of the rates you qualify for within the stated range.

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

**Your 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 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 29.000%** (the maximum allowable for this loan).

**Loan Fees****Origination Fee:** 0%.**Late Charges:** \$10.00 or 5.000% of the past due amount, whichever is less**Returned Payment Charge:** up to \$30.00**Collection and Default Charges:** In the event of a default, you may incur additional collection charges as permitted under applicable law.**Loan Cost Examples**

The total amount you will pay for this loan will vary depending upon the actual amount required to pay off the qualified education loans you select for refinancing. The term of the loan, which is the period during which regularly scheduled payments of principal and interest will be due, is 144 months. Immediate payments of principal and interest are due following the disbursement of loan proceeds. There are no deferral options for this loan.

<b>Repayment Option</b>	<b>Amount Provided</b> (amount paid to others on your behalf)	<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>MAKE FULL PAYMENTS</b> Pay both the principal and interest amounts.	\$20,000.00	15.500%	(144 months)  starting <u>after</u> disbursement	<b>\$44,147.44</b>

**About this example**

This repayment example is based on a twelve (12) year repayment term and the highest starting rate currently charged and associated fees. This example assumes that all payments are made on the date they are due.

The example is based on a loan amount of \$20,000.00. The minimum loan amount for this program is \$5,000.00.

## Federal Loan Alternatives

There are currently no Federal Loan Alternatives that allow the consolidation of private education loans. Federal Consolidation Loans only allow for the refinance and consolidation of federal student loans and may not be used to consolidate private education loans. The interest rate for the Federal Direct Consolidation Loan equals the weighted average of the interest rates on the loans being consolidated, rounded up to the nearest one-eighth of one percent.

Think carefully before using a refinance loan to pay off your federal student loans. If you refinance your federal student loans through this program, you will lose federal student loan benefits such as income driven repayment or loan forgiveness options that may be available to federal student loan borrowers. In addition, federal student loans offer deferment and forbearance options that are not available to you if you take out a private refinance loan.

**You may qualify for a Federal Direct Consolidation Loan.** For additional information about a consolidation option for federal loans, **contact the Department of Education at <https://studentaid.gov/>.**

## Next Steps

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

Visit the Department of Education's website at: <https://studentaid.gov/> for more information about refinancing loan options that may be available only for federal student loans.

### 2. To Apply for this Loan, Complete the Application.

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 never be less than 0.000%. Your rate will be calculated each quarter by adding a margin between 0.750% and 8.000% to the Prime Rate.
- The rate will not increase more than once a quarter but there is no limit on the amount that the rate could increase at one time.
- If the interest rate increases, your monthly payments may be higher.

### Eligibility Criteria

#### Borrower and Cosigner

- Must be at least the age of majority based on state of permanent residence at the time of application.
- Both borrower and cosigner are subject to credit approval. Additional documentation may be required.
- Borrower or cosigner must meet any income and other underwriting requirements.

#### Borrower

- Must be a member of CEFCU (Citizens Equity First Credit Union).
- Must have graduated from a school on the approved school list.

### Cosigner

- A cosigner is required if the borrower does not meet credit and income requirements.
- Rates are not typically higher without a cosigner.

### Loans Eligible for Refinancing

- Loans must be fully disbursed and cannot be in a delinquent status.
- Must have an aggregate minimum balance among all loans of \$5,000.00 and a maximum balance of not more than \$80,000.00.
- Loans must have been used only for qualified higher education expenses (as defined in 26 USC Section 221) and incurred by or for the benefit of the borrower at an accredited U.S. higher education institution.

### Bankruptcy Limitations

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

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

## **ADDITIONAL IOWA STUDENT LOAN DISCLOSURES**

### **A. Cosigner Requirements**

A cosigner is required for this refinance/consolidation loan if you do not meet our credit and income requirements on your own. Your loan may be less expensive with a credit worthy cosigner.

### **B. Repayment of Loan Information**

**Immediate Repayment of Loans** — See the Loan Cost Examples section of the Application and Solicitation Disclosure for loan repayment information. Repayment of principal and interest begins thirty (30) to sixty (60) days after disbursement. You can prepay the loan in whole or part at any time without penalty.

### **C. Additional Terms and Conditions**

Your loan is subject to all of the terms and conditions of your promissory note. If you become conditionally approved for this loan, please read your promissory note carefully; it may include terms under which the interest rate on the loan may change. To obtain a copy of your promissory note, you must complete an application and meet conditional approval criteria for this loan, such as minimum credit criteria.

### **D. Consequences of Default**

There are serious consequences if you default on this loan. For example, under normal circumstances, student loans are not dischargeable in bankruptcy. In order to discharge a loan in bankruptcy, the borrower must prove undue hardship in an adversary proceeding before the bankruptcy court.

Additional consequences of default on this loan include:

- Lender may report the late payment history to credit reporting agencies, which will adversely affect your credit rating and ability to get more credit
- Interest will continue to accrue on the outstanding principal balance
- Lender may take legal action
- Borrower may become ineligible for further loans from the lender
- Full amount of the loan may become due immediately

### **E. Lender/Service Contact Information**

CEFCU (Citizens Equity First Credit Union)
PO Box 1715, Peoria, IL 61656-1715
1-309-633-3474
<a href="mailto:studentloan@cefcu.com">studentloan@cefcu.com</a>
<a href="https://portal.uat.studentchoice.org//?lid=1347">https://portal.uat.studentchoice.org//?lid=1347</a>