

**Private Education Loan  
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

**7.500%**

and

**14.750%**

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 established by your credit history (and your cosigner's if applicable). 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 rate is variable.** This means that your actual rate varies with the market and could be lower or higher than the rate 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:** \$30.00

**Collection and Default Charges:** In the event of a default, the borrower 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 when you start to repay it. This example provides estimates based upon your monthly payments being deferred while you are enrolled in school at least half-time. The term of the loan, which is the period during which regularly scheduled payments of principal and interest will be due, is 144 months (12 years).

<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 the Loan Term</b> (includes associated fees)
<b>DEFER PAYMENTS</b> Make no payments while enrolled in school. Interest will accrue and unpaid accrued interest will be added to your principal balance when you enter repayment.	\$10,000.00	14.750%	(144 months) starting <u>after</u> the deferment period	<b>\$37,149.68</b>

**About this example**

The repayment example is based on the **highest 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 \$10,000.00. The minimum loan amount for this program is \$1,000.00.

## Federal Loan Alternatives

Loan Program	Current Interest Rates by Program Type
STAFFORD for students	6.390% fixed Undergraduate subsidized & unsubsidized
	7.940% fixed Graduate
PLUS for Parents and Graduate/ Professional Students	8.940% fixed

### You may qualify for Federal education loans.

For additional information, **contact your school's financial aid office or the Department of Education at:**  
<https://studentaid.gov/>

## Next Steps

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

Some schools have school-specific student 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: <https://studentaid.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). The interest rate on this loan is variable and may change.

## 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 be enrolled in an eligible school at least half-time.

### Cosigner

- Must be at least the age of majority based on state of permanent residence at the time of application.
- A cosigner is not required but may be required if borrower does not meet credit and income requirements.
- Rates are not typically higher without a cosigner.

### 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 Promissory Note.**

## **ADDITIONAL IOWA STUDENT LOAN DISCLOSURES**

### **A. Cosigner Requirements**

A cosigner is required for this private student 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**

See the Loan Cost Examples section of the Application and Solicitation Disclosure for loan repayment information.

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>

## **Notice for students attending an institute of higher education in Virginia**

Private education loans are one tool that students use to finance their education. Your lender and your institution's Financial Aid Office provide assistance with eligibility for the loans. For borrowers who have existing private education loans, Virginia has a Student Loan Advocate to assist borrowers who are struggling with repayment. You can contact the Student Loan Advocate at: State Council of Higher Education for Virginia, James Monroe Building, 10th Floor, 101 N. 14th Street, Richmond, VA 23219; [studentloan@schev.edu](mailto:studentloan@schev.edu); 804-786-2832. In addition, resources for prospective and current private education loan borrowers are available online at [schev.edu/privateloan](https://schev.edu/privateloan).