



Credit Union Student Choice Loan Detailed Overview

Feature	Description
Recommended before applying for Credit Union Student Choice Loan (required by some schools)	<ul style="list-style-type: none"> • Before applying and filling out a FAFSA (Free Application for Federal Student Aid) found at fafsa.ed.gov, apply for your Personal Identification Number (PIN) at pin.ed.gov. Your PIN serves as your electronic signature and provides access to your personal records. • Apply for scholarships—you may be eligible for many of them. <ul style="list-style-type: none"> ○ Check with your college financial aid office for listings. ○ The U.S. Department of Education's site (http://studentaid.ed.gov) provides free information on preparing for and funding education beyond high school including a scholarship search wizard. • Plan to take the maximum amount of Federal Stafford Loans awarded. While you're in school: <ul style="list-style-type: none"> ○ Government may pay the interest (on subsidized loans). ○ Capped low interest rate set by Government. ○ Deferred payment option until after leaving the school.
Type of Loan	<ul style="list-style-type: none"> • Line of Credit <ul style="list-style-type: none"> ○ Apply just once – multiple draw benefit. ○ Student underwritten for the cost of education (less other aid received) as certified by school. ○ Annual draw requested by member with multiple disbursements up to the school certified amount. • School Certified <ul style="list-style-type: none"> ○ School validates enrollment and the student's financial need is based on calculated Cost of Attendance (COA) estimate. ○ Funds dispersed directly to school when school specifies. ○ School disburses any excess to the student beyond what is needed by the school.
Co-signer/co-borrower	May be required.
Line Limit Amounts	<ul style="list-style-type: none"> • Cost of Attendance (COA) less other financial aid received (as certified by the school) • Minimum amount per year is \$1,000 • Maximum amount throughout your college career is \$75,000
Rates	<ul style="list-style-type: none"> • Competitive • Variable • Rates based on LIBOR Index • Rates adjust quarterly

Feature	Description
Interest	<ul style="list-style-type: none"> • May be deferred (see below) • Interest paid is usually tax deductible (consult tax advisor)
Terms	<ul style="list-style-type: none"> • 20 years if balance is < \$40,000 • 25 years if balance is > \$40,000
Disbursement	Funds disbursed directly to school at the time(s) the school specifies.
Origination Fee	None
Misc. Fees	<ul style="list-style-type: none"> • NSF - \$20 • Late - \$15
Deferment	60 months plus six months <u>or</u> date of school separation/graduation plus six months (whichever comes first).
Repayment Options <i>Note: Mandatory repayment begins six months after the student graduates or separates from the school. Monthly payment based on final line balance and repayment choices.</i>	<p>While in school (member's choice):</p> <ul style="list-style-type: none"> • Full deferment of principal and interest • Interest only • Principal and interest <p>After repayment begins (your choice before entering repayment):</p> <ul style="list-style-type: none"> • Straight repayment over 20 or 25 years (depending on line balance). <p>or</p> <ul style="list-style-type: none"> • Graduated repayment for two years. The graduated repayment option temporarily lowers monthly payments by amortizing the first two repayment years over a 40 year period and then over either 18 or 23 years for the remainder of the line.
Pre-Payment Penalty	None
Apply (24/7)	<ul style="list-style-type: none"> • Online at laketrust.studentchoice.org • By phone at 800.758.9830
Eligible Schools <i>Note: Most Community Colleges and For-Profit schools aren't eligible for this line.</i>	<ul style="list-style-type: none"> • Most Four-Year Public & Private Non-Profit Schools • Lansing Community College • Degree-Granting Program (Title IV) • For a complete list of participating schools (approximately 2000), visit laketrust.studentchoice.org
Who Can Apply	<ul style="list-style-type: none"> • Students enrolled at least half-time • Both student and co-signer/co-borrower must be members of Lake Trust Credit Union. • Student and co-signer/co-borrower must be U.S. citizens or permanent residents.

Feature	
Covers	<p>Costs included in the school's Cost of Attendance estimates. Typically these may include:</p> <ul style="list-style-type: none"> • Tuition • Fees • Books • Room and Board • Travel/Vehicle • Food plan • Other Related Expenses
Automated Payment	.25% Rate Discount
Release of Co-signer/co-borrower	<p>With automated payment and after 48 consecutive months of payments made on time, co-signer/co-borrower may request to be released. However, the primary borrower must be credit worthy with the following:</p> <ul style="list-style-type: none"> • 680 minimum FICO • \$18,000 minimum annual salary • 45% debt-to-income ratio maximum • No bankruptcies, judgments, or student loan defaults