



Alternative Student Loan Borrowing Options

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The Student Loan Corporation




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studentloan.com

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Student Financial Services
120 Wigley Administration Center
Mankato, MN 56001
(507) 389-1866
www.mnsu.edu/campushub

Some students may need additional loan funding to meet their financial need and/or Cost of Attendance (COA). The COA is listed on the Award Letter as the Institutional Budget. The following loans are available to students to assist in meeting their costs. Requested loan amounts must be within the COA limits established by Student Financial Services. Please remember, loans must be repaid. Carefully budget; borrow only what you need.*

Federal Parent Loan for Undergraduate Students Program (PLUS): The Federal PLUS Loan provides loans to parents of dependent undergraduate students attending post-secondary schools. All loan funds under the program must be used to pay for the cost of attendance. To be eligible for the loan, parents must meet the credit criteria determined by the lender selected. The parent is the borrower of the PLUS Loan and is responsible for paying the interest and principal on the loan while the student is in school. To obtain the PLUS Master Promissory Note (MPN), please contact one of the lenders on the PLUS Loan Lender List provided. Fill out the PLUS Loan MPN and submit it to your lender's guaranty agency. A PLUS MPN can also be completed by going to www.mnsu.edu/campushub, clicking on "Loans," then "PLUS," and lastly on "Apply for a PLUS Loan." Parents choosing not to complete an online PLUS MPN will also need to submit a PLUS Loan Request Form which can also be obtained at the above site.

Student Educational Loan Fund Program (SELF): The SELF Loan provides funds to students who are Minnesota residents and/or attending an eligible Minnesota post-secondary institution. All loan funds under the program must be used to pay for the cost of attendance. To be eligible for the loan, students are required to have a creditworthy co-signer. The student is the borrower of the SELF Loan and is responsible for making quarterly interest payments while in school. To obtain a SELF Loan application, students must complete the MSU's SELF Loan Counseling Online. To complete this counseling session, go to www.mnsu.edu/campushub and click on "Loans" then click on "SELF Loan Counseling". Please complete and return the SELF Loan Online Counseling Form to Student Financial Services to receive your SELF Loan application. Fill out the application, both the borrower's and co-signer's section and return it to Student Financial Services at MSU. If you have previously borrowed SELF Loan funds while a student at MSU, you do not have to repeat SELF Loan counseling. Contact the Campus Hub for an application.

Educational loans from private lenders (alternative loans): Several private lenders offer educational loan programs. The terms of these alternative loans vary from one lender to another. Most have fees attached to the loans along with the interest. Repayment options also vary from one lender to another. To be eligible for an alternative loan, students must meet the specific requirements of the loan they select. Some lenders require a creditworthy co-signer, some do not. MSU policy says that a FAFSA must be on file in order for Student Financial Services to process an alternative loan application, regardless of the lender's requirements. Campus Hub can provide students with alternative loan applications, depending on the lender they select and advise on financing and budgeting to meet educational costs.

*MSU requires that a complete, valid, Free Application for Federal Student Aid (FAFSA) be on file prior to the processing of any additional sources of funding.

†The information contained herein is accurate as of the time of this printing. Terms and conditions of particular loans mentioned may change without notice according to the decision of the individual lenders who provide these alternative funding sources.

SELF Loan

The Minnesota Student Educational Loan Fund (SELF) is a state loan only offered by the Minnesota Higher Education Services Office (MnHESO). The interest rate varies quarterly, throughout the life of the loan, however the interest rate will never vary more than 3.00% in any twelve month period. The student borrower must pay the interest quarterly while in school. SELF has no deferment categories, and there are limited forbearance options. The interest rate is based on the London Inter-Bank Offered Rate (LIBOR) plus 3.30%.

To be considered for a SELF Loan, the student must have a completed FAFSA on file for the academic year for which funds are being requested. SELF requires a creditworthy co-signer. There are no application, guarantee or origination fees required in the SELF program. There is no income threshold or requirement for the demonstration of financial need. Eligibility is determined by subtracting available financial aid from the cost of attendance for the term(s) for which the SELF Loan is requested. Students may obtain a SELF Loan application by contacting the Campus Hub, after they have completed the required counseling component. To complete this requirement, go to www.mnsu.edu/campushub and click on "Loans" then on "SELF Loan Counseling".

Federal PLUS Loan

An eligible parent borrower must:

- Be the natural or adoptive parent of the dependent student,
- Be a U.S. citizen or eligible non-citizen,
- Be borrowing on behalf of a dependent student who meets all of the requirements for the Federal Family Education Loan Program,
- Have a creditworthy history as determined by your lender; and
- Not be in default or owe a refund on any Title IV Federal Student Aid.

LOAN AMOUNTS

There are no annual or aggregate limits on Federal PLUS Loans. However, the parent may not borrow more than the cost of attendance, as determined by the school, less any other financial aid received during the term(s) the loan will cover. For example, if the cost of education is \$13,000 per academic year, that is the maximum amount of student financial assistance a student may receive from all sources including the PLUS Loan.

Dependent students whose parents are denied the PLUS Loan may be eligible to receive additional funds from the Unsubsidized Federal Stafford Loan Program. A denial letter from the lender must be submitted to Student Financial Services; at that time the eligibility for additional funds will be determined and processed according to the student's request.

The interest rate is variable and has an interest rate cap of 9.00%. The interest rate is adjusted each year on July 1, and is based on the 91-day T-bill + 3.10%.

Beginning July 1, 2004 all PLUS Loan applicants will be required to complete a PLUS Loan Master Promissory Note (MPN). This MPN incorporates new functionality that will allow the parent to borrow for multiple years without having to complete a separate MPN for each requested loan amount. The PLUS MPN is valid for up to 10 years, provided that the parent borrows within one year from the date the MPN was signed, and the parent uses the same lender and guaranty agency for each requested amount. If the parent has more than one child, the parent will need to complete a separate MPN for each child.

The first year the parent requests PLUS Loan funding, the parent will need to complete a PLUS MPN. The parent can complete this by going to www.mnsu.edu/campushub, clicking

on "Loans" then on "PLUS," and lastly on "Apply for a PLUS." From this site the parent will click on the desired lender and s/he will be directed to the appropriate guaranty agency's online PLUS MPN page.

This online PLUS MPN can be completed and signed using the PIN code supplied by the Department of Education. If the parent does not have a Federal PIN, one can be obtained at www.pin.ed.gov. By using the Federal PIN to sign the MPN, the information the parent submits will be directed to the lender and Student Financial Services at MSU. Once Student Financial Services has the information, it will be reviewed and if eligible, the loan will be certified.

In subsequent years the borrower need only submit the PLUS Loan Request Form to MSU, which can be found at the above PLUS application site. This form will give MSU the information necessary to complete the processing of additional requests.

The following list of recommended lenders participate in processes that allows Student Financial Services to certify PLUS Loans and receive PLUS Loan funds efficiently. Please select one of the following lenders for your PLUS Loan funding.

If you choose to borrow from a lender not listed below, or you choose not to complete the online PLUS MPN, you will need to obtain a PLUS MPN from your lender or lender's guaranty agency. You will submit the PLUS MPN to the appropriate agency as indicated by your lender **AND** submit the **PLUS Loan Request Form** to Student Financial Services at MSU. Not completing both steps in the application process will result in your not receiving the PLUS Loan funds.

Federal PLUS Loan Recommended Lender List

Lender	Code	Guaranty Agency
*Citibank	824756	Great Lakes Higher Ed. Corp.
U.S. Bank	821654	P.O. Box 64080
Wells Fargo	807176	St. Paul, MN 55164-0080
TCF Bank	821728	(800) 366-0032
Student Loan Xpress	833890	
*Citibank	826878	Education Assistance Corp. (EAC)
Bremer Bank	806361	115 First Avenue Southwest
EdAmerica	831453	Aberdeen, SD 57401-4184 (800) 458-4011
¹ Regions Bank	831484	Iowa Student Loan c/o iLink Service Center P.O. Box 7005 Des Moines, IA 50309-7005 (800) 243-7552

*Parents of first year students choosing Citibank will use the 826878 lender code and complete the MPN process with EAC. If you have used Citibank in the past, the same lender code will be used in the processing to maintain the same guaranty agency.

¹Parents wishing to use Regions Bank will need to contact the lender's guaranty agency at the above address or phone number to obtain a PLUS MPN. The student or parent will also need to contact MSU to obtain a PLUS Loan Request Form, or obtain one at www.mnsu.edu/campushub/plus/. The PLUS MPN should be sent to the lender's guaranty agency at the address above. The PLUS Loan Request Form should be returned to Student Financial Services.

ALTERNATIVE LOAN FACT SHEET

Loan Program	CitiAssist® Loan	Wells Fargo Collegiate Loan	U.S. Bank No Fee Education Loan or Gap Education Loan	TCF/Signature Student Loan®	Bremer Education Loan
Loan Servicer	Citibank*	Wells Fargo	Great Lakes	Sallie Mae	EASCI
Phone	(800) 967-2400	(800) 658-3567	(800) 242-1200	(800) 695-3317	(800) 214-4988
Website	Apply and sign online at studentloan.com	Apply and sign online at wellsfargo.com	Apply and sign online at www.usbank.com/studentloans	Apply and sign online at www.salliemae.com/signature	Apply and sign online at www.bremer.com/personal/sloans/index.cfm
Borrower	Student and/or creditworthy co-signer	Student and/or creditworthy co-signer	Student and/or creditworthy co-signer	Student and/or creditworthy co-signer	Student and/or creditworthy co-signer
Eligibility of Borrower/Co-signer	<ul style="list-style-type: none"> Flexible credit evaluation guidelines Positive credit history U.S. citizen or permanent resident International students may apply with an eligible U.S. citizen or permanent resident co-signer At least 18 years of age May be enrolled less than half-time, half-time or full-time status 	<ul style="list-style-type: none"> U.S. citizen or permanent resident Meet credit criteria determined by Wells Fargo Ed. Financial Services International student can apply with a U.S. citizen or permanent resident as a co-signer 	<ul style="list-style-type: none"> U.S. citizen or permanent resident International students w/creditworthy U.S. citizen as co-signer. 	<ul style="list-style-type: none"> U.S. citizen or permanent resident At least half-time enrollment at an approved degree granting school At least 18 years of age Borrower must meet credit requirements or provide a creditworthy co-signer 	<ul style="list-style-type: none"> Student if meets credit-ready criteria Student with creditworthy co-signer International student may apply with a creditworthy U.S. citizen
Annual Limits: Maximum	Cost of attendance less financial aid	Cost of attendance less financial aid	No Fee Loan: Cost of attendance minus Financial Aid Gap Loan: Cost of attendance minus Financial Aid at 4.00% fee level	Cost of attendance less financial aid	Cost of attendance less financial aid
Minimum	None	\$1,000 for first year, \$500 thereafter	\$12,000 undergraduate at 8.00% fee level \$15,000 graduate at 8.00% fee level \$1,000	None	\$500
Aggregate Limit	Undergraduate: \$120,000 Graduate: \$150,000	\$100,000	\$100,000	Undergraduate: \$100,000 Graduate: \$150,000	None
Interest Rate*	Excellent: Prime + 0.375% Good: Prime + 1.00% or 2.00% Fair: Prime + 3.00% or 4.00% Based on credit review and co-signer presence	Prime + 0.00%, 1.50%, 3.50% and 4.50% determined by credit rating	No Fee Loan: Prime Rate + 0.00%, Prime + 1.95% or Prime + 3.95% depending on credit. Gap Loan: 91 Day T-bill + 2.50% in-school 91 Day T-bill + 3.50% in repayment	Prime Rate + 0.00% to + 5.00%; based on borrower or co-signers credit	Prime Rate + 1.00% to + 3.00% based on credit
Loan Fees	None	None	No Fee Loan: None Gap Loan: 4.00% or 8.00%, depending on credit of borrower	Origination: 0.00% to 6.00%* Repayment: 0.00% co-signed 3.00% non-co-signed *Rate dependent upon creditworthiness	No Origination Fees Repayment: 0.00% to 5.00% based on credit
Repayment Period	Undergraduate: up to 12 years Graduate: up to 15 years	Up to 12 years	Up to 15 years	15-25 years based on loan balance at repayment	Up to 15 years
Grace Period	6 months	6 months	6 months	6 months	6 months
Borrower Benefits	<ul style="list-style-type: none"> 0.25% Citibank E-Z Pay interest rate reduction for borrowers who have payments automatically deducted from a bank account.† Additional 0.50% interest rate reduction with CitiExtras® Savings for borrowers who make their first 48 consecutive monthly payments on time.† Co-signer release option is available. Loans can be certified for balances incurred within the last 12 months. 	<ul style="list-style-type: none"> 0.25% interest rate reduction for auto debit for any checking account. 0.25% interest rate reduction for auto pay from a Wells Fargo Checking Account. Loans can be certified for balances incurred within the last 12 months. 	<ul style="list-style-type: none"> Loan payments withdrawn electronically from bank account will lower interest rate by 0.50%. Loans can be certified for balances incurred within the last 6 months. 	<ul style="list-style-type: none"> Co-signer release option available after 24 on-time payments. 	<ul style="list-style-type: none"> 0.25% interest rate reduction for using auto-debit from any checking or savings when in repayment. Deferment and forbearance option available. Loans can be certified for balances incurred within the last 12 months.

*Annual Percentage Rate (APR) Examples

Interest Rate	Undergraduate		Graduate	
	APR	Principal Amount Entering Repayment Monthly Payment	APR	Principal Amount Entering Repayment Monthly Payment
Prime + 0.375%	5.69%	\$7,115.30 \$68.96	5.78%	\$9,056.60 \$75.79
Prime + 1.00%	6.28%	\$7,235.00 \$72.49	6.39%	\$9,170.00 \$79.88
Prime + 2.00%	7.21%	\$7,425.00 \$78.35	7.35%	\$9,350.00 \$86.68
Prime + 3.00%	8.13%	\$7,615.00 \$84.53	8.31%	\$9,530.00 \$93.85
Prime + 4.00%	9.05%	\$7,805.00 \$91.04	9.26%	\$9,710.00 \$101.39

Information printed in this document was gathered from publicly available sources and is believed to be correct as of this printing. It is intended for use as an approximate guide for comparison purposes only. To ensure fully informed borrowing, you should refer directly to each lender's loan application and promissory note for exact information regarding terms, assumptions, conditions, eligibility, definitions and **Annual Percentage Rate (APR)**.

Borrowers must receive their statements electronically to be eligible for Citibank E-Z Pay rate discount. Interest rate reductions and other benefits terminate upon loan delinquency or default. You must continue to make your monthly payments by the scheduled payment due date to retain the applicable benefit. We reserve the right to modify or discontinue benefit programs at any time without notice. Program changes will not affect loans that were eligible for benefits prior to the time of the change. Visit studentloan.com for other terms and conditions that may apply to your benefits.

Undergraduate (APR) Example: Each APR example is based on borrowing a \$6,000 undergraduate loan with a 38-month deferral period followed by a 144-month repayment. The Prime Rate is assumed to be constant at 5.50%.

Graduate (APR) Example: Each APR example is based on borrowing an \$8,000 graduate loan with a 27-month deferral period followed by a 180-month repayment. The Prime Rate is assumed to be constant at 5.50%. The interest rate may vary and is indexed to the Prime Rate as published in *The Wall Street Journal*. Actual APRs may change over time. As of April 1, 2005, the published Prime Rate was 5.50%. The APR will increase if the Prime Rate increases and would result in higher monthly payments, an increase in the number of scheduled payments, or both.

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