



Student Choice Private Loan Features

Feature	Description
Requirements Before Applying For Credit Union Student Choice Loan	<ul style="list-style-type: none"> • Fill out a FAFSA (Free Application for Federal Student Aid) found at http://fafsa.ed.gov. • Apply for scholarships — member 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) ⇒ Low interest rate caps are set by U.S. Government ⇒ Deferred payment option available 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 over college career ⇒ Student underwritten for the cost of their education (less other aid received) as certified by their 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 to Student Choice the enrollment and the student's financial need based on their calculated Cost of Attendance estimate ⇒ Funds disbursed directly to school when school specifies ⇒ School disburses any excess to the student beyond what is needed by the school
Co-Signer	Required in all cases
Loan Limit Amounts	<ul style="list-style-type: none"> • Annual (minimum of \$1,000): Cost of Attendance (COA) less other financial aid received (as certified by the school). • Maximum Total (throughout college career): \$75,000
Rates	<ul style="list-style-type: none"> • Competitive; set by Alabama Credit Union • Variable (similar to most Private student loans) • Rates based on One-Month LIBOR Index • Rates adjust quarterly
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"> • Up to 20 years if balance is < \$40,000 • Up to 25 years if balance is > \$40,000
Disbursement	Funds disbursed directly to school at the time(s) the school specifies
Miscellaneous Fees	<ul style="list-style-type: none"> • NSF - \$20 • Late Payment - \$15
Deferment	60 months plus six months or 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 the school. Monthly payment based on final loan balance and repayment choices.</i>	While in school (member's choice): <ul style="list-style-type: none"> ⇒ Full deferment of principal and interest, or ⇒ Interest only, or ⇒ Principal and interest After repayment begins (member's choice before entering repayment): <ul style="list-style-type: none"> ⇒ Straight repayment over 20 or 25 years (depending on loan balance) or ⇒ 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 loan.
Pre-Payment Penalty	None
Apply (24/7)	<ul style="list-style-type: none"> • Online at AlabamaCU.com • Phone (800) 518-2439
Eligible <i>Note: Community colleges and for-profit schools are not eligible for this loan.</i>	<ul style="list-style-type: none"> • Most four-year public & private non-profit schools • Degree-Granting Program (Title IV) • For a complete list of approximately 1,700 participating schools, click here.
Who Can Apply	<ul style="list-style-type: none"> • Students enrolled at least half-time • International students. Co-signer must be a U.S. citizen or permanent resident who has resided in the U.S. for the previous two years.
Covers	Costs included in the school's Cost of Attendance estimates. Typically these may include: <ul style="list-style-type: none"> • Tuition • Fees • Books • Room and Board • Other Related Expenses
Automated Payment	0.25% rate discount
Release Of Co-Signer	With automated payment and after 48 consecutive months of payments made on time, co-signer may request to be released. The primary borrower must be credit worthy. Requests are made through the loan servicer.

Published: July 28, 2008. Alabama Credit Union does business in accordance with the Equal Credit Opportunity Act. Rates expressed as Annual Percentage Rate or Annual Percentage Yield; all rates and terms subject to change without notice. For complete account disclosures, ask for a copy of our Membership & Account Agreement, Reg CC (Funds Availability) and Reg E (Electronic Transfers) disclosures and Fee Schedule. Membership eligibility required.   