

## Private Education Loans from First Citizens Community Bank - FAQ's for Borrowers

### What are Private Education Loans?

Private Education Loans help students pay for school as easily and inexpensively as possible. To bring these products to life, we're partnering with long-standing companies that we know can help deliver the best experience over the entire lifecycle of your loan:

- CampusDoor supports all application-related activities.
- First Citizens Community Bank is the lender for each loan provided under the Private Education Loan Program.
- Once loan funds are sent to your school, University Accounting Service gives you access to manage and pay your loans.

### Why should I choose a First Citizens Private Education Loan Product?

Because First Citizens believes that a quality education is foundational to a better future, and First Citizens Private Education Loan Products are designed to help you pay for school as easily as possible. First Citizens Private Education Loan Products offer great rates and flexible terms that let you decide how and when you'll pay your loans back.

### Which are better, federal loans or private loans?

They're both useful financial tools. We always recommend completing the FAFSA, and exploring scholarships, grants, and federal student loans first. Those won't always cover the full cost of attendance though. That's where First Citizens can help you get the remaining money you need for school.

### Do I need to be a full time student to obtain a Private Education Loan Product?

No you don't, but you must be enrolled in a bachelor degree program or higher and attending classes at least half time at an eligible school.

### How much of my education costs will this loan cover?

Credit-worthy applicants can borrow up to 100% of the school-certified cost of attendance, which typically includes things like tuition and fees, books and supplies, room and board, transportation and personal expenses. The minimum amount you can borrow is \$1,000.

### What defines an eligible school?

To be eligible, the school must meet the following minimum criteria:

- Be accredited by a recognized accrediting body.
- Have central administrative offices located in the United States.
- Have a main campus physically located in the United States.

### Are funds from my student loan disbursed to me or the school?

Funds are disbursed directly to the school.

### Are there limits to how much I can borrow each year and throughout my college education?

The maximum annual aggregate loan amount is up to the lesser of \$40,000 or the cost of attendance minus other financial aid as certified by the school. The lifetime aggregate borrowing limit is \$150,000.

### Is there a maximum in-school period?

Yes, the maximum in-school period is 5 years (60 months).

**What is a private student loan consolidation?**

A private student loan consolidation is the process of having one or more existing private and/or federal loans paid off by the creation of one new single consolidation loan with new terms and conditions (such as repayment length, interest rate, repayment benefits, etc.) that are particular to the lender offering the consolidation loan.

**What loans can be included in a private loan consolidation?**

Only existing private and federal student loans that have not gone into default may be included.

**What qualifications must I meet to receive a student loan?**

The borrower must be a United States citizen or permanent resident-eligible non-citizen. Be at least the age of majority at the time of application based on his/her state of permanent residence or apply jointly with a co-signer who meets the eligibility requirements. To be eligible to apply with a cosigner, borrowers must still meet certain credit requirements including no prior education loan default and no other severe negative credit actions, as detailed in the student borrower credit requirements.

**Is a co-signer required?**

The borrower may be eligible for this program without a co-signer. However, including a co-signer increases the odds for approval and increases the potential for a lower interest rate. Borrowers who do not meet the credit eligibility on their own, will require a co-signer.

**What are the qualifications for the co-signer?**

In order to be eligible to participate in the private education loan program, the co-signer must be:

- A United States Citizen or a Permanent Resident-Eligible Non-Citizen.
- Be at least the age of majority at the time of the application based upon his/her state of residence.
- Meet the co-signer credit requirements

**Is this a credit-based loan?**

Yes, borrower and co-signer (if applicable) will need to meet certain credit standards in order to be eligible for our consolidation loan product and for specific interest rates within the program.

**Is there an income requirement to be eligible?**

Yes, there is a \$25,000 earned income requirement for undergrad and a debt-to-income ratio of 40% or less and \$25,000 earned income requirement for consolidation loans. Household income may be used as part of the calculation for the debt-to-income ratio on consolidation loans.

**Whose income is considered?**

If applying without a co-signer, the borrower must meet the earned income requirement(s). If applying with a co-signer, it is the co-signer that must meet the income requirement(s).

**Can my spouse and I consolidate our private loans together?**

No. All loans included in the consolidation must have the same original borrower.

**When can I consolidate?**

You could apply to consolidate at any point after receiving a private student loan and obtaining a bachelor's degree. If consolidating within six months of obtaining your degree, any grace period on existing private loans would be forfeited.