THRIVENT
FEDERAL CREDIT UNION®

Private Student Loan for Undergraduate and Graduate Students

Program Information for SUNY Buffalo State, April 2016

2016-2017

PRIVATE STUDENT LOAN FOR UNDERGRADUATE AND GRADUATE STUDENTS

1. Name of loan program/product
   Private Student Loan for Undergraduate and Graduate Students

2. Years in student loan market
   Our Private Student Loan programs launched in February, 2014 to a small group of colleges and universities and our loan volume exceeded our expectations in 2015. We have now expanded the offering of our programs to more than 1,200 colleges nationwide. Our continued commitment to private student lending keeps growing and growing. We have added to our suite of products which now includes Private Student Loans, a Tuition Line of Credit and an Education Refinancing Loan for both students and parents. We have also increased the company's team of veteran student loan personnel from two to thirteen. We are members of NASFAA, EASFAA, NJASFAA, SASFAA, SWASFAA, MASFAA, RMASFAA, CAPFAA, PASFAA, NYSFAAA, ILASFAA, OASFAA and many more state organizations.

3. Fixed and/or Variable
   Students have a choice of a fixed or variable interest rate loan with no fees. To determine credit worthiness and pricing, credit score, debt-to-income ratio, credit history and other factors are considered.

4. Interest rate spread for both fixed and variable (if applicable)
   - **Fixed Rate** loans are 5.49% to 9.99%. The APRs in effect as of April 1, 2016 for the fixed rate product are 5.20% to 9.99% depending on the borrower and/or cosigner's credit histories and the repayment option selected.
   - **Variable Rate** loans are 1-month LIBOR[1] + 2.00% to 1-month LIBOR + 9.00%. The APRs in effect as of April 1, 2016 for the variable rate product range from 2.46% to 9.50%, depending on the borrower and/or cosigner's credit histories and the repayment option selected.

     [1] LIBOR stands for London Interbank Offered Rate. We use the one-month LIBOR, as published by Bloomberg, as the index for our variable rate loan. To calculate the interest rate, we take the index, add a margin that depends on the borrower and/or cosigner's credit, and round the result up to the nearest one-eighth of one percent. The interest rate will be calculated on the first day of each calendar quarter (Jan. 1, April 1, July 1 and Oct. 1). The interest rate and APR will increase or decrease if the index changes. The index for the 2nd calendar quarter of 2016 is 0.50%.

5. Eligibility criteria
   This program is available to undergraduate and graduate students as the borrower. The parent can cosign on this program.

   The student must be of legal borrowing age in their state of residence and enrolled at least half time in an undergraduate or graduate degree-granting program. Students are also required to make satisfactory academic progress based on the school's standard for determining eligibility for Title IV aid. Both U.S. Citizens and Permanent Residents are eligible.

   a) SAP required? Yes
   b) ½ time enrollment required? Yes
   c) Must the student be matriculated? Yes
   d) Eligible if in certificate program? Not at this time.
   e) Past due balances? If so, what are the criteria? Borrowers can use funds for a past due balance if the loan period end date is no more than 90 days in the past.

6. Minimum loan amount
   $1,000 minimum. Our maximum loan amount is $80,000.

7. Describe any and all fees associated with your loan product if applicable
   We do not charge any fees.

8. Back-end benefits
   Thrivent Federal Credit Union offers the following benefits:

   - **ACH:** Borrowers are eligible to receive a 0.25% ACH interest rate reduction for principal and interest payments made via automatic debit from a checking or savings account.
   - **Cosigner Release:** The cosigner may be released upon the request of a credit worthy borrower after 24 consecutive on-time payments. The borrower must meet the lender's requirements for creditworthiness at the time of request.
   - **Death of Borrower:** The cosigner will be released in the event of the borrower's death.
   - **Past Due Balance:** Borrowers can use funds for a past due balance if the loan period end date is no more than 90 days in the past.
   - **No Pre-payment Penalty:** We do not charge a penalty for early repayment.

9. Co-signer release? If so, what are the terms?
   The cosigner may be released upon the request of a credit worthy borrower after 24 consecutive on-time payments. The borrower must meet the lender's requirements for creditworthiness at the time of request.

   The cosigner will be released in the event of the borrower's death. If the cosigner dies, we do **NOT** accelerate payment on the loan, require a new cosigner, place the borrower immediately into repayment or place the borrower in default.

10. Available repayment options
    Borrowers have the option to choose their repayment plan at the time of application. We offer four repayment options:

    1. **Full Deferment Plan**: Deferment of principal and interest payments for up to five years plus a 6 month grace period until the student ceases to be enrolled at least half-time. Maximum deferment period is 66 months.
    2. **Interest Only Repayment Plan**: Immediate interest only payments for up to five years plus a 6 month grace period until the student ceases to be enrolled at least half-time. The first payment of interest only will be due approximately 30-60 days from the first disbursement date.
    3. **Partial Payment Plan**: Payments of $25.00 per month for up to five years plus a 6 month grace period until the student ceases to be enrolled at least half-time. The first payment of $25.00 will be due approximately 30-60 days from the first disbursement date.
    4. **Immediate Repayment Plan**: Immediate repayment of principal and interest. Repayment of principal and interest begins 30-60 days after the first disbursement date and will continue for up to 180 months. The minimum monthly payment is $50.

11. Available repayment terms
    The Thrivent Private Student Loan has a repayment period of up to 15 years from disbursement.

12. Customer service for student/parents
    a) Phone numbers: 866-540-3191
    b) Hours: Monday through Friday from 7:00am to 6:00pm ET.
    c) Survey results (if applicable): N/A

13. Customer service for schools
    a) Phone numbers: 866-540-3191
    b) Hours: Monday through Friday from 7:00am to 6:00pm ET.
    c) Survey results (if applicable): N/A

14. Do you participate in ELM NDN? Yes. We participate with the ELM NDN, ELM One and ELMSelect.

15. Do you offer a consolidation loan? If so, please provide details.
    Yes. Please see attached document.

16. Are you affiliated with any other lenders? If so, please describe below in detail.
    No.

17. Copy of your most current Application/Solicitation disclosure for each loan product and the date of which it was last updated.
    The ASD documents were recently updated on April 1, 2016.
    - Fixed rate loan disclosure: http://www.thriventcu.com/personal/files/FixedApplicationTIL.pdf
    - Variable rate loan disclosure: http://www.thriventcu.com/personal/files/VariableApplicationTIL.pdf

18. Are there any new products or services not otherwise addressed in this RFI of which you would like us to be aware?
    I would like to share some numbers with you:
    - Our National **Fixed Rate** weighted average interest rate is 6.53%.
    - Our National **Variable Rate** weighted average interest rate is 3.27%.
    - Nationally, 44% of **Fixed Rate** loans were approved in the best credit tier, with current pricing of 5.49%.
    - Nationally, 47% of **Variable Rate** loans were approved in the best credit tier, with current pricing of 2.50%.

    Our Financial Literacy and Debt Management Programs:
    There are several ways Thrivent Federal Credit Union helps members manage their debt. Our member service representatives serve as Debt Guides and are committed to helping members be as smart as possible when going into debt, but just as importantly they help members develop a long-term plan for getting out of debt.

    This is done in part by encouraging shorter loan periods, working with the member to align a debt plan with the rest of a member's financial situation, promoting payments above the minimum when appropriate and other more critical financial needs have been met (e.g. insurance, taking advantage of 401(k) match.

    How we carry out the vision:
    - **The right loan amount**. Debt Guides work with members to help determine how much money is needed. The goal of Debt Guides is not to up-sell the client to the maximum amount the member qualifies for, which may encourage unintended spending and full use of credit.
    - **The right product.** Debt Guides help members determine the best product to further the member's overall financial goals (not the credit union's financial goals). Members may be encouraged to get a loan with a term (definite pay-off date) rather than keep an open line.
    - **Historical pattern review.** Debt Guides watch for a pattern of consolidation loans. If excess spending habits cause a member to keep returning for another consolidation loan, the Debt Guide's goal is to help the member address the source of the problem rather than enabling the habit with yet another loan.
    - **Credit score coaching.** Debt Guides are trained to work with members who have credit scores below the minimum number required for a loan rather than just immediately denying and turning them away. Debt Guides try to work with the members to review the situation and help the members develop a plan to improve their scores over time so they may qualify for the loan in the future.
    - **Alternative solutions.** Debt Guides have the training and resources to refer members to third party resources for further counseling if more help is needed, or they may refer members to the web site or other financial professionals if clients are ready for additional action.

Thrivent Federal Credit Union takes a three-staged approach to financial literacy related to student lending.

1) **Pre-purchase Financial Literacy:** Our primary objective in this stage is to de-mystify the lending process. We help members understand what is involved in the broader financial process, how to navigate the FAFSA, important timing, considerations, etc. This information and supporting resources are built into marketing material, web content and delivered through our staff and referral partners (Thrivent Financial Advisors).

2) **Point-of-sale Financial Literacy:** At the point of purchase, we help potential borrowers understand the products, their value and specific attributes (cost, quality), and help them compare options to make the best choice for their financial situation. We also promote complementary products to help students learn the right money management behaviors from the start. We encourage what could be considered a counter-cultural relationship with money and work to move members to security and ultimately to generosity.

3) **Beyond the Loan Financial Literacy:** Thrivent Federal Credit Union and Thrivent Financial are both committed to helping members be wise with money. We don't stop at the student loan. We care about both the student borrowers and the cosigners financial security and we continue to provide through solid banking products and broader financial services.

Banking for Life: Helping Students Start Strong

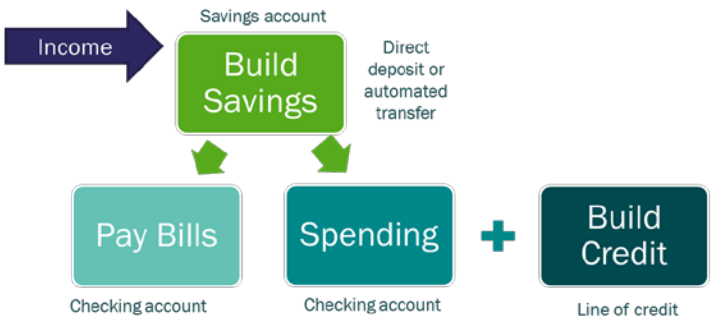
When it comes to embarking on the journey of college life and beyond, we're here to start students off right. Thrivent Federal Credit Union offers tools and guidance to build good money management habits and set them on a path to reach their financial goals and live generously.

We think of it as "banking for life," and it starts with helping students pay for college. But personal finance doesn't begin and end with paying for college. In addition to the Thrivent Private Student Loan Program, we offer a tailored banking package – BalanceWorks!™ for Students Account – to help our members make the most of their money.

BalanceWorks!™ for Students Account

BalanceWorks!™ for Students Account is one solution designed to help students manage their money while they are attending school and build good financial habits. By giving them the tools they need to manage expenses, control spending and build credit while having some emergency funds in place, BalanceWorks! provides them with a blueprint for moving forward in life. We believe a financial plan for young adults should be simple, automated and focused on financial security. BalanceWorks! starts with the most straightforward solution possible: put 100 percent of income into a savings account every month. This helps teach the concept that saving is not only essential to getting an education, it is the key to buying a home, starting a business, sustaining you through emergencies, building a secure retirement and living generously.

This conscious, purposeful approach to saving can change your financial life. Instead of saving for tomorrow, you're saving for today. BalanceWorks! gives young adults the foundation to take control of their cash, set realistic expectations and curb impulse spending that leads to debt.



The simplicity of the BalanceWorks! system extends to how it works. The package includes:

1. A Share Savings Account
2. Two Thrivent Rewards Checking accounts (spending and bills)
3. A Line of Credit attached to checking ($500 limit)

Money flows from the Share Savings account to the automated bill pay checking account for all fixed expenses: mortgage, car, other loans, utilities, insurance, etc. A second checking account is designated for spending on food, clothes, entertainment and other discretionary items.

The Line of Credit provides additional security and teaches students how to use credit responsibly while building a solid financial history. By managing accounts well and showing they can manage low limits of credit, students are more likely to be accepted for higher levels of credit when they need it. Having a credit line also introduces the concept of a credit score.

As a cornerstone of our "banking for life" philosophy, BlanaceWorks! brings structure and simplicity to financial management for young adults, allowing them to focus on:

- Building savings
- Organizing finances
- Building credit
- Achieving financial security

By using basic savings and checking accounts in a new way, BalanceWorks! helps them to achieve better control of spending and debt – without reliance on their parents – in order to independently accomplish their broader financial goals.

References

Please feel free to contact any of the references below.

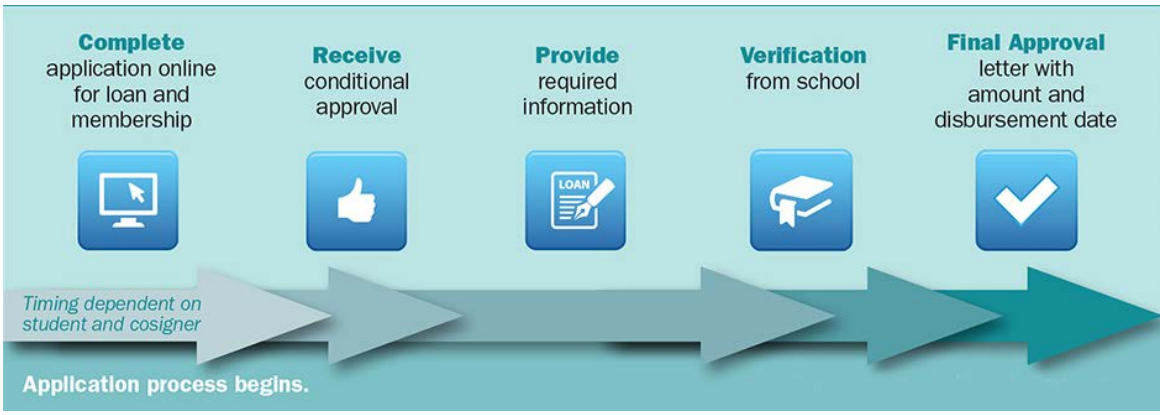
1. Randy Green, Wittenburg College jgreen@wittenberg.edu or 937-327-7321
2. Aaron Steffens, Luther College srefaa01@luther.edu or 563-387-1018
3. Susan Kannenwischer, Capital University skannenwischer@capital.edu or 614-236-6512

Link to the Application Website

https://www.Thriventcu.com/studentloans

Application Process Overview

Thrivent Federal Credit Union applicants have access to an online application for education lending, which includes real-time credit decisions, electronic signature for the loan application, promissory note and self-certification form for both the borrower and cosigner. Thrivent Federal Credit Union also offers a Borrower Portal to provide real-time access (and approval) to loan status, promissory notes, legal disclosures and Truth-in-Lending documentation. Borrowers are able to upload pending documentation.



Thank You

For additional information or questions regarding this RFI, contact:

Ann Lague
AVP, Director of College Market
112 Fieldstone Lane
Atkinson, NH 03811

603-362-6322
Ann.Lague@cuLearn.org

The information in this response is intended for SUNY Buffalo State. If you wish to share it with someone outside of SUNY Buffalo State, please contact your College Relationship Manager, Ann Lague. Thrivent Federal Credit Union reserves the right to change any information in this proposal. If a change to any of our borrower benefits or products is made, Ann Lague will contact you. Thank you for allowing Thrivent Federal Credit Union to respond to your Request for Information.

Deposit and lending services are offered by Thrivent Federal Credit Union, a member-owned not-for-profit financial cooperative that is federally insured by the National Credit Union Administration and doing business in accordance with the Federal Fair Lending Laws. Must qualify for membership. Insurance, securities, investment advisory and trust and investment management accounts and services offered by Thrivent Financial, the marketing name for Thrivent Financial for Lutherans or its affiliates are not deposits or obligations of Thrivent Federal Credit Union, are not guaranteed by Thrivent Federal Credit Union or any bank, are not insured by the NCUA, FDIC or any other federal government agency, and involve investment risk, including possible loss of the principal amount invested.

EQUAL HOUSING LENDER NCUA