



Texas ExtraCredit

EDUCATION LOAN

WE MAKE PAYING FOR COLLEGE EASY



Texas Extra Credit Education Loan is a private student loan program designed specifically for Texas residents attending approved colleges or universities anywhere in the country. By offering competitive fixed and variable interest rates, a variety of repayment terms and options and valuable borrower benefits, we know the Texas Extra Credit Education Loan is the right answer to your students' education financing needs.

Application Details

- Online loan application takes as little as 15 minutes to complete
- Initial credit decision is typically made within minutes ¹
- Application calculates repayment amounts based on repayment plan, term and interest rate plan in real time, so comparing loan scenarios is easy
- Invite a cosigner to an application with a few simple clicks
- Application must be certified by school

Interest Rates

- Variable interest rates from 2.49% + LIBOR to 8.99% + LIBOR ²
- Fixed interest rates from 5.49% to 11.99% ³

Loan Limits

- Borrow up to the full cost of education, minus other financial aid
- Minimum loan amount is \$1,000; annual loan maximum is \$65,000
- Maximum aggregate loan limit is \$150,000, inclusive of all student loan debt

Program Features

- Loans may be used to cover Past Due Balances ⁴
- Death Forgiveness for student borrowers (and cosigner, if applicable) ⁵
- Satisfactory Academic Progress (SAP) not required

Fees

- No origination or disbursement fees

Borrower Benefits

- Interest rate reduction of 0.25% just for graduating college ⁶
- Interest rate reduction of 0.25% for Auto Debit withdrawals from a savings or checking account ⁷
- Release of cosigner from liability after first 24 consecutive on-time monthly loan payments ⁸

Repayment

- Three repayment options (Fully Deferred, Interest Only, or Immediate Repayment) and two repayment terms (10 or 15 years) ^{2,3}

Disbursement

- Loan funds are sent directly to the school by EFT, CDA or check

ABOUT US

Higher Education Servicing Corp. (HESC) is a private, non-profit organization, established in 1978 with the mission of ensuring that all Texas students and families have access to a higher education. Today, HESC continues its mission by servicing federal and private education loans and by administering a variety of educational outreach activities that educate and inspire Texas students to pursue and achieve a post-secondary education. HESC also provides low-cost, education loan products and services to help Texas families fill their unmet financial aid needs. Texas Extra Credit Education Loan is HESC's most recent offering to help Texas students pursue and achieve a higher education.

Higher Education Servicing Corp.
4381 W. Green Oaks Blvd., Ste. 200
Arlington, TX 76016
www.TexasExtraCredit.org
TexasExtraCredit@culearn.com
Toll Free Number (855) 228-8216
Monday - Friday 8:00 am - 7:00 pm CT

Lender Code.....934481
Guarantor Code.....P17
NCHER Code 120 month Variable Rate.....N58
NCHER Code 180 month Variable Rate.....768
NCHER Code 120 month Fixed Rate.....N59
NCHER Code 180 month Fixed Rate.....769

- The student borrower must be enrolled at least half time in a degree-granting program (as certified by the school) at an approved school.
- The student borrower and cosigner (if applicable) must be permanent residents of Texas.
- A student borrower applying with or without a cosigner must be at least eighteen years old at the time of the loan application. If a student applies with a cosigner, the cosigner must be at least eighteen years old. Applying with a cosigner may help the applicant pass the credit review, and may even help secure a lower rate.
- The applicant applying as creditworthy (i.e. the cosigner or the student applying without a cosigner) must have proof of current income. The applicant meeting the income requirement must submit verification of current income.
- The student borrower and cosigner (if applicable) must be United States citizens/nationals or lawful permanent resident aliens of the United States.

Disclosures

- 1) The initial credit review is based on review of all the information you and your cosigner (if applicable) provide during the application process and the information obtained from your credit report(s). If you pass the initial credit review, you will need to provide acceptable documentation such as your income verification and Applicant Self-Certification Form and we will need the certification from your school before the final loan approval.
- 2) The current variable interest rate ranges from 5.10% to 11.60%, in effect as of 4/1/2019. The applicable interest rate for each calendar quarter shall be based on the three (3) month LIBOR (London Interbank Offered Rate) as published in The Wall Street Journal on the 16th day of each December, March, June, and September and references the 3-Month LIBOR rate in effect on the 15th day of that month rounded to the nearest basis point (0.01%). The variable interest rate and Annual Percentage Rate (APR) may be higher depending upon (1) the student's and cosigner's (if applicable) credit histories (2) the repayment option and loan term selected, and (3) the requested loan amount and other information provided on the online loan application. The variable rate may increase or decrease if the LIBOR index changes or as required by law or if you request and qualify for the ACH reduction benefit(s) or Graduation reward. Repayment terms and options available may vary depending upon the amount borrowed. If approved, applicants will be notified of the rate qualified for within the stated range. The LIBOR index for the current calendar quarter is 2.61%. APRs range from 5.10% to 10.39%. The low APR example assumes a \$10,000 loan made in two disbursements with immediate repayment, a monthly principal and interest payment of \$106.98 (there is a minimum monthly payment of \$50), a 10-year repayment term (120 months), no origination fee, and a 5.10% interest rate. The high APR example assumes a \$10,000 loan made in two disbursements with full deferment while in school (up to 66 months), a monthly principal and interest payment of \$192.47 (there is a minimum monthly payment of \$50), a 15-year repayment term (180 months), no origination fee, and an 11.60% interest rate.
- 3) The current fixed interest rates range from 5.49% (5.49% APR) to 11.99% (10.67% APR), in effect as of 4/1/2019. Rates may be higher depending upon (1) the student's and cosigner's (if applicable) credit histories (2) the repayment option and loan term selected, and (3) the requested loan amount and other information provided on the online loan application. If approved, applicants will be notified of the rate qualified for within the stated range. The APR examples (lowest and highest) assume a \$10,000 loan disbursed over two transactions. The lowest current APR is based on a 10-year repayment term (120 months), an immediate repayment plan, monthly principal and interest payments of \$108.48, and a 5.49% interest rate. The highest current APR is based on a 15-year repayment term (180 months), a deferred repayment plan with a deferment period of 60 months upon initial disbursement, a six month grace period before repayment begins, monthly principal and interest payments of \$200.25 and a 11.99% interest rate. The fixed interest rate assigned to a loan will never change except as required by law or if you request and qualify for the ACH reduction benefit(s) or Graduation reward. Repayment terms and options available may vary depending upon the amount borrowed.
- 4) Program loans may be used to cover educational expenses for academic periods that end up to 90 days prior to the application date.
- 5) If the student dies after disbursement of all or part of the Loan(s) while enrolled at least half-time in an eligible school the outstanding principal and accrued interest balance on the loan shall be written down to zero (0) if (i) the loan servicer is informed of the student death by acceptable written notification and receives satisfactory proof of death; and (ii) the servicer verifies half-time or greater enrollment of the student borrower at the time of death.
- 6) Student borrowers who earn a bachelor's degree or higher will receive a 0.25% interest rate reduction if (a) they have made no more than one (1) late payment (more than ten days late) on the loan, (b) they request the benefit from the servicer within one (1) year after graduation, and (c) they provide proof of graduation to the servicer. The student must request this benefit via phone or mail and must provide either a certified copy of a diploma or a certified transcript. Upon the servicer's review and acceptance of the student's documentation, the servicer shall send a confirmation letter stating that the graduation benefit has been granted.
- 7) An interest rate reduction of 0.25% is available for borrowers who make monthly electronic funds transfer (EFT) payments of principal and interest from a savings or checking account. To qualify, the borrower needs to arrange with the loan servicer to automatically deduct monthly principal and interest payments from a bank account. The automatic payment benefit will discontinue and be lost for the remaining repayment period in the event any three payments are returned for insufficient funds over the life of the loan. This benefit is not available for interest payments made during the deferment period for the Interest Only Repayment option. This benefit may be terminated during deferment and forbearance periods, but can be re-established if borrower reapplies at the end of the deferment or forbearance period.
- 8) Request for the cosigner to be released can be made after the first 24 consecutive, on-time monthly payments (not later than ten days after the due date) of principal and interest have been made. At the time of request for cosigner release, the student borrower must (a) meet credit criteria in place for cosigner release, (b) be currently enrolled for automatic deduction of monthly payments from a savings or checking account at the time of the cosigner release application, and (c) must have had at least one payment deducted electronically from such bank account prior to the time of the cosigner release application. Lump sum payments will count as a single payment. If the borrower is granted a forbearance or makes a lump sum payment in excess of the monthly payment amount during the first 24 months of the Repayment Period that permits the borrower to skip one or more scheduled monthly payments, the borrower may lose the ability to qualify for the Cosigner Release Benefit.



Contact us today to learn more about the
Texas Extra Credit Education Loan Program

www.TexasExtraCredit.com | TexasExtraCredit@culearn.org

Higher Education Servicing Corp. (817) 265-9158
Priority & Borrower Services (855) 228-8216

WE MAKE PAYING FOR COLLEGE EASY