

After exhausting the opportunities available from scholarship and federal aid programs, many students will consider supplemental loan programs as a source of funding. This publication provides very important points of comparison. Both programs, offered by Citibank, include provisions which could change after 2007/08. The consumer should consider important indicators of cost and service, including those suggested below.

Questions to Assist the Student Loan Borrower

- 1. Are any of these loans federally insured?**
 - a. **GP PLUS** – the federal government insures the loan
 - b. **NDL** – borrower is fully responsible; no government insurance
- 2. What are the 2007/08 interest rate and loan fees for borrowers?**
 - a. **GP PLUS** – interest is fixed at 8.50% with 3.00% in origination fees and a 0.00% federal default fee¹
 - b. **NDL** – 91-day T-Bill + 2.00% with zero loan fees²
- 3. How is a borrower's creditworthiness considered?**
 - a. **GP PLUS** – minimal: not based on income nor on debt-to-income ratio
 - b. **NDL** – credit evaluation required
- 4. What are the loan limits?**
 - a. **GP PLUS** – none other than University stated Cost of Attendance less all other financial aid
 - b. **NDL** – same as GP PLUS except total borrowing aggregate of \$180,000
- 5. When does interest begin to accrue?**
 - a. **GP PLUS** – interest begins to accrue upon disbursement and is capitalized at the end of any deferment or forbearance prior to repayment
 - b. **NDL** – interest begins to accrue upon disbursement and is capitalized at the end of any deferment or forbearance period
- 6. What are the deferment provisions?**
 - a. **GP PLUS** – no limit on in-school deferment as long as enrolled at least half-time; payments begin immediately upon graduation or less than half-time status
 - b. **NDL** – up to seven year deferment while in school; may be enrolled less than half-time
- 7. Is federal loan consolidation possible?**
 - a. **GP PLUS** – yes²
 - b. **NDL** – no
- 8. When does repayment begin?**
 - a. **GP PLUS** – immediately upon graduation or when the borrower is no longer enrolled at least half-time
 - b. **NDL** – nine months after borrower is no longer enrolled
- 9. How long is the repayment period?**
 - a. **GP PLUS** – up to 10 years for standard repayment including graduated and income sensitive options; could be extended up to 25 years
 - b. **NDL** – up to 15 years for standard repayment; could be extended up to 20 years
- 10. Which loan will be less expensive in the end, assuming borrower's full use of all benefits/incentives including on-time payments throughout the entire repayment period? (based on \$10,000 over standard 10 years)²**
 - a. **GP PLUS** – Total cost to borrower: \$3,236
 - b. **NDL** – Total cost to borrower: \$3,716

Additional information & application procedures are available on our website at financialaid.nd.edu

*ANNUAL PERCENTAGE RATE (APR) EXAMPLE:

Graduate: If you borrowed \$8,000 and had an interim period of 30 months (24 months in-school plus 6 month grace period) followed by a repayment period of 240 months, and if the 91-day Treasury Bill auction average "coupon equivalent" remained at a constant rate of 5.088%, the **ANNUAL PERCENTAGE RATE** for this example would be **6.87%**. The principal balance at repayment for example would be \$9,400, the monthly payment would be \$72.88, and the finance charge over the life of the loan would be **\$9,490.74**.

This is a variable rate loan and the **APR** may increase if the 91-day Treasury Bill auction average "coupon equivalent" increases. As of January 2, 2007 the 91-day Treasury Bill auction average "coupon equivalent" rate was 5.088%. This example assumes a constant rate for the 91-day Treasury Bill Index, which would equal an interest rate of 5.088%, rounded to the nearest one quarter of a percent (Index plus 2.00%). Payments are assumed to be deferred during the Interim Period.

CITIBANK BORROWER BENEFITS

¹If Citibank is your Graduate PLUS Loan lender, **Citibank will pay the federal default fee.**

²Notre Dame Graduate Loan 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. Citibank reserves the right to modify or discontinue benefit programs at any time without notice. Interest rate reductions and other benefits are subject to change if the borrower takes out a Federal Consolidation Loan. Program changes will not affect loans that were eligible for benefits prior to the time of the change.

A 1.00% Federal Default Fee that is typically deducted from the loan proceeds may be paid by Citibank, N.A. or the guarantor on the borrower's behalf for loans guaranteed on or after November 15, 2006.

The Zero Payments for the Last Six Months offer is valid for PLUS Loans serviced by Citibank with first disbursements on or after July 1, 2006. The borrower's minimum aggregate balance of Stafford and/or PLUS Loans at repayment must be \$4,500. Citibank will waive only the amounts due on the final 6 regularly scheduled payments based on the original repayment period (e.g. payments numbered 115 through 120 on a 10 year repayment period). As is required, Citibank will report the amount of the payments to the federal government as taxable income to the borrower. Prepayments on a loan may affect the amount of the benefit. For example, prepayments may eliminate one or more of the regularly scheduled payments and thus reduce the number of monthly payments which Citibank would waive.

Interest rate reductions and all borrower benefits including these offers terminate upon loan delinquency or default. Automatic interest rate reductions are granted during periods of active repayment for PLUS Loans with a first disbursement on or after November 15, 2006.

Apply online anytime. The three minute credit response is for applications submitted from 7 a.m. to 11 p.m., E.T., Monday to Friday. Additional documentation and data verification may be requested for final loan approval.

The E-Z Pay Program, an automatic payment program, provides additional interest rate reductions during repayment when a borrower enrolls in the program and agrees to receive only electronic statements.

The benefit recovery feature for PLUS Loans with a first disbursement on or after November 15, 2006, provides reinstatement of the automatic interest rate reduction to delinquent borrowers after 24 consecutive on-time monthly payments anytime during the life of the loan. We reserve the right to modify or discontinue benefit programs at any time without notice. Any termination or modification of the program will not affect the terms of loans previously made. Specific terms and conditions apply, visit studentloan.com or call us at (800) 967-2400.

³The 25-year repayment option is for aggregate FFELP loan balances in excess of \$30,000 first disbursed on or after 10/7/98.

⁴The interest rate will not exceed the maximum allowed by Law.

studentloan.com

Rev. 2/07 - Qty. 1,000 - C19701

The Student Loan Corporation is a subsidiary of Citibank, N.A.
© 2007 Citibank, N.A., Citibank and Citibank with Arc Design are registered service marks of Citigroup Inc.

A member of [citigroup](http://citigroup.com)



UNIVERSITY OF NOTRE DAME

Factors to consider when
comparing which supplemental
loan program better fits your
educational financing needs



Graduate/Professional Federal PLUS Loan

Notre Dame Loan for Graduate Students

Offered in Partnership with Citibank

University of Notre Dame
Office of Financial Aid

115 Main Building
Notre Dame, IN 46556
(574) 631-6436

Website: financialaid.nd.edu

Academic Year 2007/2008

Provision (effective for 1/1/07 through 6/30/08)	Notre Dame Loan (NDL)	Graduate/Professional Federal PLUS Loan (GP PLUS)
ELIGIBILITY		
Borrower	Student	Student
U.S. citizen/permanent U.S. resident	Yes	Yes
Non-citizen eligible with U.S. citizen or permanent resident co-signer	Yes	No
Determined by "financial need"	No	No
Determined by credit worthiness	Yes	Minimal
Aggregate total borrowing limit	\$180,000	None
Annual borrowing limit	– University stated Cost of Attendance less all other financial aid –	
APPLICATION		
Online completion	Yes	Yes
FAFSA required	No	Yes
Stafford Loan eligibility determined first	No	Yes
Co-signature required	No	No
CONDITIONS		
Origination fees	–0–	3.00%
Federal Default Fee	–0–	0.00% ¹
Interest	Variable adjusted quarterly	Fixed
Interest in-school	91 day T-bill + 2.00%	8.50%
Interest after school	91 day T-bill + 2.00%	8.50%
Interest cap	Yes ⁴	8.50%
Disbursement	– Electronically to the University of Notre Dame –	
Federally insured	No	Yes
Discharged at death	No	Yes
POST ENROLLMENT		
Grace period	9 months	None
Deferment/forbearance	Yes	Yes
Capitalization of interest	– At the end of any deferment or forbearance period –	
Repayment	15 but could be up to 20 years	10 but could be up to 25 years
Flexible repayment options	Yes - Limited	Yes
Federal consolidation	No	Yes, up to 30 years ³
BORROWER BENEFITS		
Combined bill for Citibank loans	Yes	Yes
Loan servicer	Citibank, The Student Loan Corporation	Citibank, The Student Loan Corporation
Loan will be sold	No	No
Interest Rate Reductions		
Discount for auto-debit	0.25%	0.50%
Discount at repayment	No	1.00%
Discount after 48 monthly on-time payments	0.50%	No
Zero payments the last six months	No	Yes
Benefit Recovery Available	No	Yes
ESTIMATED TOTAL COST TO STUDENT		
IF ALL BENEFITS APPLY²		
(based on \$10,000 paid over standard 10 years)	\$3,716	\$3,236

The results estimated in this example are based upon several assumptions. Important additional details about these assumptions are outlined on the back of this brochure, on the Citibank website (studentloan.com) as well as in the Master Promissory Note.