

# LendKey

## School Program Guide

Response to Request for Proposal/  
Request For Information



Improving lives with lending made simple

## TRUSTED PARTNER

### OVER THE YEARS

Since 2009, credit unions and banks have partnered with LendKey to pool their capital, create strength in lending, and assist borrowers through varying rates and terms on a digital platform. LendKey provides borrowers access to financing that they may not otherwise obtain, through an extensive network of non-profit credit unions and lenders.

Credit unions and community banks offer some of the most borrower-friendly loans. LendKey enables these community financial institutions to bring these loans online. These lenders have the advantage of our digital platform automating much of the loan process, allowing them to pass the savings along to the borrower.

It's a new generation of lending, for a new generation of borrowers.

Through accessible, lower cost private student loans and refinancing—parents and students can address higher education financing needs responsibly, beyond federal funding.



### SECURE & TRUSTED

With over 300 credit unions and community banks, an exclusive endorsement from the National Association of Federal Credit Unions and the American Bankers Association, LendKey partners with traditional community institutions to provide the best customer service and digital lending experience. We build, maintain, and innovate our own technology.



Our servers are equipped with Secure Socket Layer Technology (SSL) that encrypts an applicant's entire online session. All information is securely stored off-site, and all users pass through secure verification to prevent identity theft.

## IN-SCHOOL PRIVATE STUDENT LOANS

Private student loans through LendKey can bridge the gap, when federal loans may not be enough. Borrowers are encouraged to apply with a cosigner—but they are not required to do so to be approved. During the previous school year, 90.2% of loans were cosigned.<sup>1</sup>

### BENEFITS

- ⦿ **Cosigner Release:** LendKey's partner financial institutions make this benefit available for credit worthy borrowers who have made 24 consecutive, full and on-time principal and interest payments.
- ⦿ **No Fees:** Our lenders do not charge borrowers any origination fees.
- ⦿ **ACH Discount:** There is a 0.25% discount for those borrowers who set up their payments via recurring ACH.
- ⦿ **Building Strong Credit History:** LendKey encourages borrower responsibility by requiring either a nominal \$25 monthly Proactive Payment (per borrower, regardless of their number of loans) or interest-only payment while in school. This minimal payment promotes responsible repayment habits, reduces costs, and helps young borrowers develop a good credit history.
- ⦿ **Life-of-loan Servicing:** We service all of our loans, so students will never have to wonder who is currently holding their loan.
- ⦿ **Career Counseling Services:** LendKey partners with NextJob to offer career counseling and job placement services to our borrowers.
- ⦿ **Financial Literacy Tools:** Students can access our financial literacy and debt management tools and resources at [lendkey.com/resources](https://lendkey.com/resources).

### ELIGIBILITY

- ⦿ Enrolled at least half-time in a degree-seeking program at a participating school
- ⦿ US citizenship or permanent resident status
- ⦿ A minimum 2.0 GPA and meet Satisfactory Academic Progress (SAP) per the school guidelines
- ⦿ Borrower (or cosigner) must have annual income of \$24,000
- ⦿ Meet established credit requirements (or apply with creditworthy cosigner).
- ⦿ Enrolled students may use funds for past due balances up to 90 days as certified by the school
- ⦿ Already be, or become, a member of a participating credit union during the online application process

<sup>1</sup> Data, benefits and eligibility requirements as of September 2019.

## BORROWER LIMITS

- ⦿ **Minimum:** \$1,000
- ⦿ **Maximum:** Cost of attendance minus aid
- ⦿ **LendKey Maximum Aggregate:** \$120,000 (undergraduate), \$160,000 (graduate)
- ⦿ **Total Maximum Aggregate:** \$160,000 (undergraduate), \$250,000 (graduate)



## REPAYMENT OPTIONS

### In-School

**Proactive Payment:** Borrowers make a minimum \$25 monthly payment. Any unpaid accrued interest is capitalized to the outstanding loan amount at the end of the in school period.

**Interest-Only Payment:** Borrowers make full monthly interest payments on the loan while enrolled in school.

### Out-of-School

**Level Repayment:** Borrowers make full principal and interest payments when they enter repayment status six months after leaving school or ceasing to be enrolled half-time in a degree-granting program.

**Interest Only Repayment:** During the six-month grace period, a borrower may request to pay just the interest expense on the loan for the first two years. Minimum \$50 payment after 6 month grace period.

## LOAN RATES AND TERMS

- ⦿ **Variable Rate Range:** 4.27% - 9.47% APR
- ⦿ **Fixed Rate Range:** 5.36% - 9.28% APR
- ⦿ **Variable Rate Index:** 1-Month LIBOR
- ⦿ **Repayment Terms Available:** 5, 10, and 15 years
- ⦿ **Grace Period:** Six months after graduation date or if the student falls below half-time.

## OTHER NOTES:

- ⦿ **Average interest rate of non-cosigned loans:** 8.17%
- ⦿ **Average interest rate of cosigned loans:** 7.27%
- ⦿ Interest is capitalized when the student enters repayment or exits forbearance/deferment.

## PROGRAM INFORMATION

- ⦿ Lender Name: LendKey
- ⦿ Lender Code: 911007
- ⦿ Program Name: LendKey Private Student Loan
- ⦿ Loan Program Code: B-21



## ELECTRONIC SERVICES

### ⦿ Loan Certification:

CommonLine v4 certification and change records are sent via ELM Resources, Great Lakes ScholarNet, iLink, eCourier, email, and fax.

### ⦿ Loan Disbursement/Rosters:

ELM Resources' National Disbursement Network (ELM NDN), Great Lakes CDS, iLink CDS, direct EFT to schools and paper checks. There is a maximum of four disbursements per academic year. We can send disbursement rosters for those where certifications were received electronically but not disbursed electronically.

### ⦿ Loan Cancellations/Refunds:

Refunds/Cancellations are usually returned via the same method they were disbursed. Once the loan is disbursed, schools have 90 days to cancel the loan and students have 30 days after the disbursement to return funds before becoming responsible for interest accrual. For EFT disbursements directly to schools, refunds are accepted by check.

## SERVICE INFORMATION

### SCHOOL SERVICES

- ⦿ Dedicated customer service team for financial aid representatives.
- ⦿ All financial aid office inquiries will be responded to within one business day.
- ⦿ Schools can reduce loan amounts at any point by contacting LendKey via phone or email. Once the student signs the final agreement, we can no longer increase the loan amount. The only exception to this is if the school initially certified the loan for a lower amount than the student requested, then the school can later increase the loan back to the originally requested amount. We cannot increase a loan amount to exceed the requested amount on the certification.



### BORROWER SERVICES

- ⦿ We have a dedicated staff that reaches out via phone and email to applicants who are having issues throughout the process. We also have automated reminder emails that are sent out as well.
- ⦿ All loans are serviced in-house for the life of the loan.
- ⦿ LendKey makes due diligence calls and sends emails to students and co-signers when the loan is between 10-179 days delinquent. Additionally, we offer up to 18 months of forbearance that students can utilize if they are experiencing financial hardship.
- ⦿ LendKey offers electronic signature for promissory notes.

## CONTACT US



### SCHOOL SUPPORT

- > [www.lendkey.com](http://www.lendkey.com)
- > Financial Aid Officers Hotline: (877) 847-3964
- > Fax: (866) 208-5056
- > Hours: Mon-Fri, 9 am – 6 pm EST
- > Email: [schools@lendkey.com](mailto:schools@lendkey.com)
- > Please send student loan refund checks to:

LendKey  
P.O Box 829698  
Philadelphia PA 19182-9698



### BORROWER SUPPORT

- > [www.lendkey.com](http://www.lendkey.com)
- > Call: (888) 549-9050
- > Fax: (800) 583-1416
- > Hours: Mon-Fri, 9 am – 8 pm EST
- > Email: [customer.care@lendkey.com](mailto:customer.care@lendkey.com)
- > Live chat available
- > Mailing address:

LendKey  
9999 Carver Road, Suite 400  
Cincinnati, OH 45242