

Federal Consolidation Loan Summary Sheet

The Federal Consolidation Loan option allows your members to combine all of their federal student loans into a single loan with a fixed interest rate. Most federal student loans can be consolidated. Students can consolidate loans they have taken in their name. Parent PLUS loans taken in the parent's name cannot be consolidated by the student. Federal loans cannot be consolidated with alternative (private) loans.

Title IV Loans Eligible for Consolidation

- FFEL Program Loans
(Stafford, PLUS, SLS, and Consolidation)
- William D. Ford Direct Loan Program
(Stafford, PLUS, Consolidation)
- Federally Insured Student Loans (FISL)
- Perkins Loans
- Nursing Student Loans (NSL)
- Health Professions Student Loans (HPSL)
- Health Education Assistance Loans (HEAL)

Loan types not eligible to consolidate:

- Spousal loans
- Private loans or credit card debt

Requirements for Consolidation*

- The borrower's loans intended for consolidation must be in the grace period or in repayment
- The borrower must certify that no other Federal Consolidation Loan application is pending.
- The borrower cannot have any defaulted Title IV loans (of those intended for consolidation).

*This list of qualifications is not comprehensive and is subject to change.

Fees

There are fees charged for the Federal Consolidation Loan option. Each fee is the responsibility of your credit union and cannot be passed on to the borrower.

Fee	Frequency	Amount
Lender Origination Fee	Charged once at the time of origination as a percent of the full loan amount	1.0%
Rebate Fee*	Monthly	.0875%
Application Fee	Charged once per loan type at the time of application**	\$42
Servicing Fee – First Year	Monthly	\$3.80/month /borrower
Servicing Fee – Subsequent Years	Monthly	\$3.35/month /borrower

* The rebate fee noted is expressed at the monthly percentage rate (based on the principal balance and accrued interest of the Federal Consolidation Loan) and is paid on a monthly basis to the Department of Education. The annual rate is 1.05%

** Subsidized and unsubsidized are considered separate loan types.

To Enroll or For More Information

For more information on Federal Consolidation Loans, contact the Credit Union Student Loan Network at 1-888-264-5626, press 4, or send an e-mail request to sln@cunamutual.com (please include your lender number).