NORTHWESTERN
UNIVERSITY

NU Loan for Kellogg International Students - Option B

Terms and Conditions for 2015-16

Northwestern University offers a unique institutional loan program for international students to assist them in meeting their educational financing needs. The NU Loan for Kellogg International Students - Option B can be used to meet a portion of your financial need as determined by the Financial Aid Office. This loan is funded privately by the University and administered by the NU Student Loan Office. You are required to obtain at least one co-signer in order to apply for the loan. Both you and your co-signer(s) must complete an NU Loan application.

The following is a summary of this loan program. Please read this information carefully before submitting the application. Contact your Financial Aid Office if you have further questions.

ELIGIBILITY AND BORROWER RESPONSIBILITIES

- Student must be enrolled as a full time student at Northwestern University.
- Student must apply for either a social security number or individual taxpayer identification number.
- Student must keep the NU Student Loan Office informed of changes of name, social security number or ITIN, address, and phone number as well as any changes in his or her enrollment status prior to graduation from Northwestern University.
- Student must have at least one co-signer.

CO-SIGNER REQUIREMENTS AND RESPONSIBILITIES

- Co-signer can be a parent, guardian, or relative. A spouse **cannot** act as co-signer. Other individuals who wish to become co-signers will be approved on a case by case basis.
- Co-signer is equally responsible with the student for payment of the loan. However, it is expected that the student will endeavor to meet the total responsibility of repayment.

LOAN LIMITS

- Minimum loan amount is $2,000.
- Maximum loan amount for any one academic year cannot exceed the amount of unmet financial need as determined by the Financial Aid Office.
- Maximum aggregate loan amount for each student cannot exceed limit set by the Student Loan Office.

INTEREST RATE

- Variable interest rate is established annually each September 1.
- A rate change will result in an adjustment to the scheduled payment amount.
    - For historical interest rate information select this link: http://www.northwestern.edu/sfs/financial-aid-and-loans/loan-types/northwestern-loans/nu-loan/index.html

IN-SCHOOL INTEREST CHARGES

- Interest begins accruing once funds are disbursed to the student.
- All unpaid accrued interest is capitalized six months after graduation or separation from the University.
- Interest capitalization refers to the process by which outstanding interest is added to the principal balance.

APPROVAL

- Loan approval is subject to review by the NU Student Loan Office.
- Financial Aid Office must certify all loan applications before loan funds are disbursed to the student's tuition and fees account.

- Approved loan amount may be less than that requested on the initial application based on the determination of the Financial Aid Office.
- A loan packet containing the promissory notes and insurance certificate will be created upon approval. All documents must be signed as instructed.

DISBURSEMENT
- A 4% origination fee will be deducted from each disbursement.
- Loan funds are disbursed directly to the student's Northwestern tuition and fees account.
- Total approved loan amount is usually disbursed in equal amounts for each term of enrollment during the academic year, unless specified otherwise by the Financial Aid Office.

INSURANCE
- The student is covered under a group term life and disability insurance policy.
- The insurance premium is incorporated into the interest rate for the loan.
- There are no additional fees for the insurance coverage.
- Both the student and first co-signer must sign the insurance forms provided with the promissory note (further details and restrictions regarding insurance coverage are contained on those forms).

REPAYMENT
- Repayment of principal and interest begins six months after separation from Northwestern University and continues until the loan is paid in full.
- Repayment of principal and interest can extend up to a maximum of 10 years following the end of the grace period.
- During repayment, the required minimum monthly payment of principal and interest is based on the total amount borrowed, but in no case will it be less than $100.
- No penalties are assessed for prepayment or early repayment.
- Forbearance of the loan is available upon request and is subject to the approval of the Northwestern University Student Loan Office.
- Payments are made monthly and statements are sent to the student in advance of each due date.

LATE PAYMENT PENALTIES
- NU Loan accounts more than 90 days past due may be assigned to an outside collection agency.
- A late charge equal to 5% of the late payment on any interest and/or principal payment that is overdue 7 days or more will be assessed.
- The student's academic records and ability to register will be placed on hold.

PLEASE RETAIN THIS INFORMATION SHEET WITH YOUR RECORDS

Northwestern is an equal opportunity, affirmative action educator and employer.

Northwestern University does not discriminate or permit discrimination by any member of its community against any individual on the basis of race, color, religion, national origin, sex, pregnancy, sexual orientation, gender identity, gender expression, parental status, marital status, age, disability, citizenship, veteran status, genetic information, or any other classification protected by law in matters of admissions, employment, housing, or services or in the educational programs or activities it operates.

Harassment, whether verbal, physical, or visual, that is based on any of these characteristics, is a form of discrimination. This includes harassing conduct affecting tangible job benefits, interfering unreasonably with an individual's academic or work performance, or creating what a reasonable person would perceive is an intimidating, hostile, or offensive environment. Prohibited sex discrimination includes sexual harassment and sexual violence.

For advice or assistance regarding this policy, see http://www.northwestern.edu/provost/policies/statements/discrimination.html.

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