



## MBA for Executives—Student Loan Information

Students enrolled in the MBA for Executives Programs (Evening, Weekend, and OneMBA) at UNC-Chapel Hill's Kenan-Flagler Business School can borrow student loans to cover the cost of tuition. A student's total financial aid (including: company sponsorship and **all** education loans) cannot exceed the cost of tuition. **If a student's employer will pay 100% of tuition, then s/he is not eligible for student loans.**

### TYPES OF FUNDING

#### U.S. CITIZENS AND PERMANENT RESIDENTS

- Federal Stafford Loans

The Federal Stafford Loan program is available to all U.S. Citizens and Permanent Residents who meet basic Federal requirements (i.e. student has never defaulted on a Federal loan and/or is not currently involved in filing bankruptcy). The two types of Federal Stafford Loans are Subsidized (does not accrue interest while the student is enrolled) and Unsubsidized (does accrue interest while the student is enrolled). See page 2 for details regarding these loans.

- Federal Graduate/Professional PLUS Loans

Private education loans provide additional funding for those students (U.S. Citizens and Permanent Residents only) whose costs exceed the maximum Stafford Loan eligibility. Students should exhaust their Federal Stafford Loan eligibility before pursuing a Graduate PLUS loan. The majority of EMBA students borrow loan through College Foundation Inc, UNC's preferred lender. The interest rate for Graduate PLUS loans is a fixed 8.5%. See page 2 for details regarding these loans provided through CFI.

- Private Education Loans

Private education loans provide additional funding for those students (U.S. Citizens and Permanent Residents only) whose costs exceed the maximum Stafford Loan eligibility. Students should exhaust their Federal Stafford Loan eligibility before pursuing a private education loan. The majority of EMBA students who borrow a private education loan use CFI's EXTRA Education Loan. The interest rate for EXTRA Loans is variable and represents the Prime Rate + 0%. See page 2 for details regarding these loans provided through CFI.

#### INTERNATIONAL STUDENTS

- EXTRA MBA Loan

The Kenan-Flagler Business School has formed a partnership with CFI to bring the North Carolina EXTRA MBA Loan. The EXTRA MBA Loan Program is designed to provide financial assistance for students enrolled in the Kenan-Flagler Business School EMBA program who are unable to secure loans through the Federal Stafford Loan Program or the CFI's EXTRA Education Loan Program. Email Susan Brooks ([susan\\_brooks@unc.edu](mailto:susan_brooks@unc.edu)) for further information.

### COLLEGE FOUNDATION INC. (CFI)

UNC Chapel Hill's preferred lender is CFI for all student loans (Federal Stafford and Private Education Loans). CFI is a state-affiliated financial institution and has been the central lender in North Carolina since 1955. The North Carolina State Education Assistance Authority (NCSEAA), the agency that provides information and resources for financial aid in North Carolina, guarantees CFI loans.

#### Why CFI?

- CFI has an automated process with Carolina to make it easier and faster for students to complete loan applications and receive disbursements.
- CFI waives all loan fees, saving students money.
- CFI also rewards students for on-time payments of their loans by progressively reducing interest rates. Also, CFI reduces the interest rate if borrowers pay back loans through automatic withdrawal. These combined provisions can save the average student borrower (\$10,000 total debt) over \$1,800 during the life of the loan.
- CFI provides life-long service (never sells or transfers loans) to student borrowers so payments are always made to the same place.



## COLLEGE FOUNDATION INC'S LOAN PROGRAMS MBA FOR EXECUTIVES

TERMS AND CONDITIONS	SUBSIDIZED STAFFORD LOAN	UNSUBSIDIZED STAFFORD LOAN
<b>INTEREST BEGINS ACCRUING</b>	At repayment	Upon disbursement
<b>CREDIT REQUIREMENTS</b>	None	None
<b>INTEREST RATE</b>	6.8% fixed (Interest accrues after the 6 month grace period)	6.8% fixed
<b>ORIGINATION FEE</b>	None	None
<b>REPAYMENT PERIOD</b>	Up to 10 years-begins after 6 month grace period after student graduates or separates from the University	Up to 10 years-begins after 6 month grace period after student graduates or separates from the University
<b>INTEREST RATE REDUCTIONS (DURING REPAYMENT <u>ONLY</u>)</b>	1.50% auto-draft of payments and electronic statements 1.00% on-time payments*	1.50% auto-draft of payments and electronic statements 1.00% on-time payments*

\*reduction automatically applied when repayment begins but will be reversed after 1<sup>st</sup> late payment

TERMS AND CONDITIONS	GRADUATE PLUS LOAN	EXTRA EDUCATION LOAN
<b>CREDIT REQUIREMENTS</b>	Good credit history or no credit history (no delinquent accounts or bankruptcy on credit report)	720+ Credit Score no co-borrower required 719 Credit Score and below co-borrower required
<b>INTEREST RATE</b>	8.5% fixed	Prime Rate + 0% variable
<b>ORIGINATION FEE</b>	3% (returned to student as credit to loan principal at end of academic year)	No origination fee (student "nets" 100% of loan amount borrowed)
<b>REPAYMENT PERIOD</b>	Up to 10 years-begins immediately after student graduates or separates from the University	Up to 10 years-begins after 6 month grace period after student graduates or separates from the University
<b>INTEREST RATE REDUCTIONS (DURING REPAYMENT <u>ONLY</u>)</b>	0.75% on-time payments* 1.25% auto-draft of payments and electronic statements during repayment	0.25% auto draft of payments 0.50% after 48 consecutive on-time payments

\*reduction is automatic while the borrower is enrolled at least half-time and has an in-school deferment.

### FINANCIAL AID CONTACT

Susan Brooks is the financial aid officer devoted to students enrolled in the MBA for Executives Programs. She is available to answer your questions as well as to address concerns you might have. All questions regarding financial aid should be directed to her using the following contact information:

**Susan Brooks, Assistant Director, Office of Scholarships and Student Aid  
MBA, EMBA, and MAC Programs  
susan\_brooks@unc.edu // 919.962.9096 (phone) // 919.962.0898 (fax)**