



Consolidating federal student loans will eliminate some unique repayment benefits and can increase your total repayment cost. Please read this entire notice and understand the risks of consolidating your federal student loans with our private consolidation loan.

We appreciate you contacting us to learn more about our *Wells Fargo Private Consolidation*SM loan.

What you need to know

If you choose to include federal student loans in a *Wells Fargo Private Consolidation* loan, please note:

- Federal student loans include repayment options and benefits including, but not limited to, loan forgiveness, income-driven repayment plans, loan forbearance and deferment options, and loan rehabilitation programs.
- **You will lose federal student loan repayment options and benefits that apply to your federal student loans**, including those currently available and those that may become available in the future, if you consolidate a federal student loan into a private student loan. For example, you will not be able to use federal student loan repayment assistance tools, including income-driven repayment plans, to help you avoid default if you become unemployed or experience financial hardship for other reasons such as a disability at some point in the future. You also will not be able to take advantage of federal student loan forgiveness programs such as Public Service Loan Forgiveness.
- Federal student loan repayment options and benefits may be of special value to borrowers serving in the military, government, or public service professions or borrowers eligible to lower their payments based on income or economic hardship at some time in the future.

What you need to do

Please carefully review the following document so that you understand the comparative benefits of federal student loans vs. the *Wells Fargo Private Consolidation* loan.

We know this is an important decision for you and encourage you to compare your current student loan amounts, monthly payments, interest rates, and benefits to determine if the *Wells Fargo Private Consolidation* loan is appropriate for you.

For more information about federal student loan repayment plans you can visit the U.S. Department of Education at <https://studentaid.ed.gov>.

We're here to help

For questions and more information, please call us at 1-877-449-2421, Monday through Friday 7:00 a.m. to 8:00 p.m. Central Time. For customers with hearing or speech disabilities, we accept telecommunications relay service calls.

Thank you. We appreciate your business.

Wells Fargo Education Financial Services



Education Financial Services

PO Box 5185
Sioux Falls, SD 57117-5185
1-877-449-2421
Fax: 1-800-456-0561

Informed choice form – Including federal student loans in a *Wells Fargo Private Consolidation*SM loan

Helping you make an informed choice

If you choose to include a federal student loan in a private consolidation loan, please know that some federal student loans include unique benefits that private student loans such as the *Wells Fargo Private Consolidation* loan do not provide. If you have federal student loans, please carefully review your current benefits, especially if you work in government, public service, or are in the military.

Although Wells Fargo offers several payment extension options and a loan modification program to assist you during periods of temporary or extended hardship, some federal student loans include a broader set of repayment assistance options that can help you lower your payments based on your income or economic hardship, and those federal benefits may last longer.

To continue with your application, please review the following information:

- Federal student loans include repayment options and benefits that are not available on the *Wells Fargo Private Consolidation* loan. Please review the summary comparison of benefits chart enclosed with this form. It will help you compare the benefits and options available on a federal student loan to those that are available on the *Wells Fargo Private Consolidation* loan.
- By including one or more federal student loans in this *Wells Fargo Private Consolidation* loan, your federal student loans become part of a new private student loan and are no longer federal student loans for any purpose. **This means you will no longer be eligible for federal student loan benefits and repayment options on the federal student loans included in this *Wells Fargo Private Consolidation* loan.** This includes benefits and options currently available and those that might become available in the future under the federal student loan program, including, without limitation, loan forgiveness benefits, income-driven repayment options, loan forbearance and deferment options, and loan rehabilitation (cure a default).
- If you choose not to include any federal student loans in a *Wells Fargo Private Consolidation* loan, you may continue the application for a *Wells Fargo Private Consolidation* loan that includes only one or more private student loan(s). If you wish to continue with an application including only private student loans, please call us at 1-877-449-2421.

We encourage you to seek advice from legal, financial, and tax advisors for more information about federal student loan benefits and the consequences of losing those benefits when you include federal student loans in a private consolidation loan. For more information about federal repayment plans, you can visit the U.S. Department of Education at <https://studentaid.ed.gov>.



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Summary comparison of benefits

Benefits available for federal student loans vs. the Wells Fargo Private ConsolidationSM loan

Benefits (at a glance)		
	Federal student loan	Wells Fargo Private Consolidation SM loan
Repayment options based on income	YES	NO, but temporary and permanent income-driven loan modifications are available to assist with repayment hardship
Forbearance	YES	YES, but more limited
Deferment	YES	NO
Public service jobs and loan forgiveness	YES	NO
Military	YES	YES, but more limited
Rehabilitation of defaulted loans (curing a default)	YES	NO
Loan forgiveness upon death or total and permanent disability	YES	YES
Employer-paid loan repayment	YES (certain employers)	Very rare

Benefits (more detailed summary)	
Federal student loan	Wells Fargo Private Consolidation SM loan
Repayment options: Offers a number of options. Repayment options based on income: <ul style="list-style-type: none">Offers multiple repayment options based on your income, so if your income is low or decreases in the future, your monthly payment will be lower. Your federal student loan payments may be as low as \$0.00 if your income is below 150% of the federal poverty level.If you are already using a federal income-driven repayment program, you should strongly consider consolidating your federal student loans through the federal direct consolidation program.	Repayment options: Offers fewer repayment options than are available for federal student loans. Repayment options based on income: <ul style="list-style-type: none">Offers temporary and permanent loan modifications to assist with repayment hardship. If you can no longer afford to make your monthly payment, you may be eligible to have your monthly payment lowered temporarily for a period of time of 1 to 5 years or on a permanent basis.Our loan modification program may not produce payments as low as federal options.

Benefits (more detailed summary)	
Federal student loan	Wells Fargo Private Consolidation SM loan
Forbearance: <ul style="list-style-type: none"> Offers a number of deferment and forbearance options. Offers medical and economic forbearance that may excuse payments for up to 24 months. 	Forbearance: <ul style="list-style-type: none"> Offers a 2- to 3-month payment forbearance to assist you during periods of temporary hardship. Payment extensions or loan modifications (either temporary or permanent) may be available to assist with longer-term financial hardships, including employment, medical, or other reasons. Offers a military forbearance during active duty or qualifying National Guard duty or if you are eligible for loan repayment under U.S. Department of Defense student loan repayment programs. Offers in-school forbearance if you return to school. Offers a public service forbearance if you volunteer with a qualifying organization.
Deferment: <ul style="list-style-type: none"> Offers payment deferment for up to 3 years for unemployment or economic hardship. Offers deferments during and after active duty military service in a war or national emergency. Offers deferments if you re-enroll in school. You generally are not responsible for paying accrued interest on subsidized loans during deferment. In contrast, you generally are responsible for paying accrued interest during the forbearance. 	Deferment: <ul style="list-style-type: none"> Does not offer deferment.
Public service jobs and loan forgiveness: <ul style="list-style-type: none"> Offers loan forgiveness, in whole or in part, if you are employed in public service jobs, including government jobs, teaching, military, AmeriCorps or the Peace Corps, and many jobs with nonprofit organizations. 	Public service jobs and loan forgiveness: <ul style="list-style-type: none"> Does not offer loan forgiveness for years of service in a public service job. If you have federal student loans and intend to enter or stay in a public service job, you should consider refinancing only your private student loans.
Military: <ul style="list-style-type: none"> Offers military benefits if you or your spouse currently or plan to serve in the military. Offers deferments during and after active duty military service in a war or national emergency. Offers 0% interest for eligible borrowers serving in hostile areas. Offers loan forgiveness to eligible borrowers employed in public service jobs, including military (see above). 	Military: <ul style="list-style-type: none"> Offers a military forbearance (see above) and an interest rate cap, even if you are on active duty at the time you refinance. If you or your spouse are serving in the military or plan to serve in the future, you should consider whether refinancing is right for you.
Rehabilitation of defaulted loans (curing a default): <ul style="list-style-type: none"> Rehabilitation of defaulted loans is available for federal borrowers and can remove the default from a borrower's credit report. 	Rehabilitation of defaulted loans (curing a default): <ul style="list-style-type: none"> No program to formally cure student loan defaults and eliminate the record of past defaults in a borrower's credit report.

Benefits (more detailed summary)	
Federal student loan	Wells Fargo Private Consolidation SM loan
Loan forgiveness upon death or total and permanent disability: <ul style="list-style-type: none"> Federal student loans can be forgiven on the death or permanent disability of the borrower or student beneficiary. 	Loan forgiveness upon death or total and permanent disability: <ul style="list-style-type: none"> Your private consolidation loans can be forgiven on the death or permanent disability of the student borrower or student beneficiary.
Employer-paid loan repayment: <ul style="list-style-type: none"> Some employers, such as certain public agencies and the military, will make payments on federal student loans as an employee benefit. 	Employer-paid loan repayment: <ul style="list-style-type: none"> These benefits may not be available for private student loans. You should check with your employer about any loan repayment support that may be available to you.

For more information about federal student loan repayment plans that would not be available with a private consolidation loan, you can visit:

<https://studentaid.ed.gov/sa/repay-loans/understand/plans>

To learn more about federal loan consolidation, you can also visit:

<https://studentaid.ed.gov/sa/repay-loans/consolidation>

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