



# Introduction to Student Loan Assistance

NAHU  
Fall 2020



# Student debt is pervasive



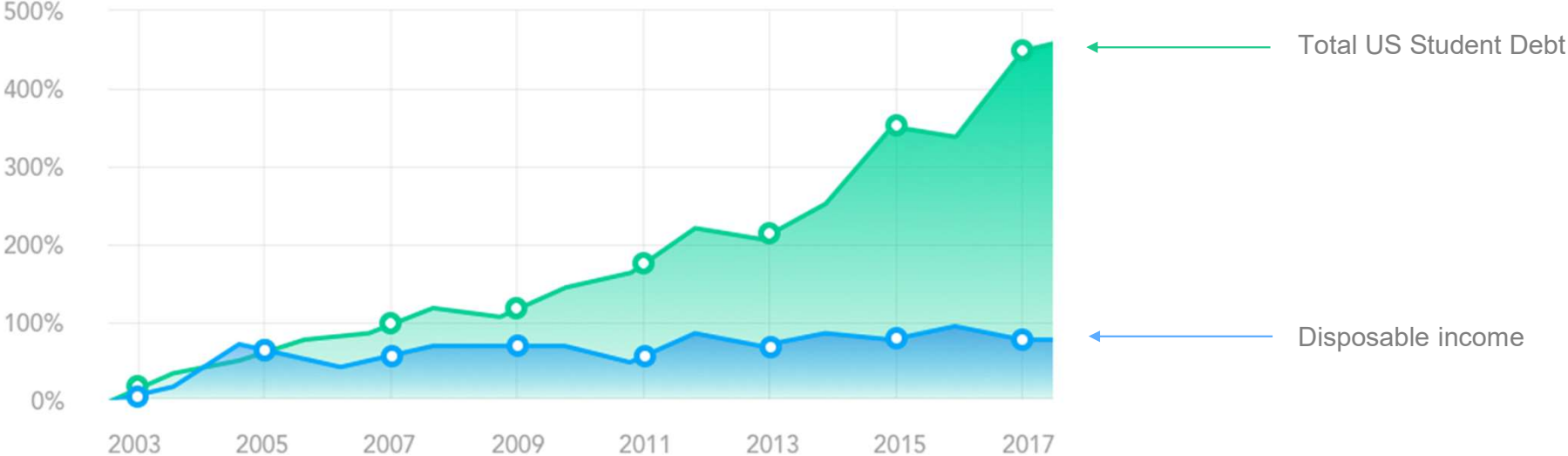
45M  
Americans



\$1.5T  
Loans



# Student loans have become unbearable



# It's a serious problem for employees

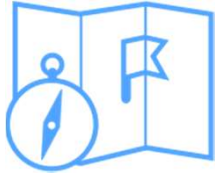
**51%**

of student loan holders say  
**debt is ruining their  
quality of life.**



Student debt is delaying the American Dream:  
marriage, cars, homes, retirement

# Student Loan Assistance helps employers stand-out



## Student Loan Resources

Advice, counseling, and refinancing



## Student Loan Repayment

Monthly contributions

# Employees can take charge with Student Loan Resources



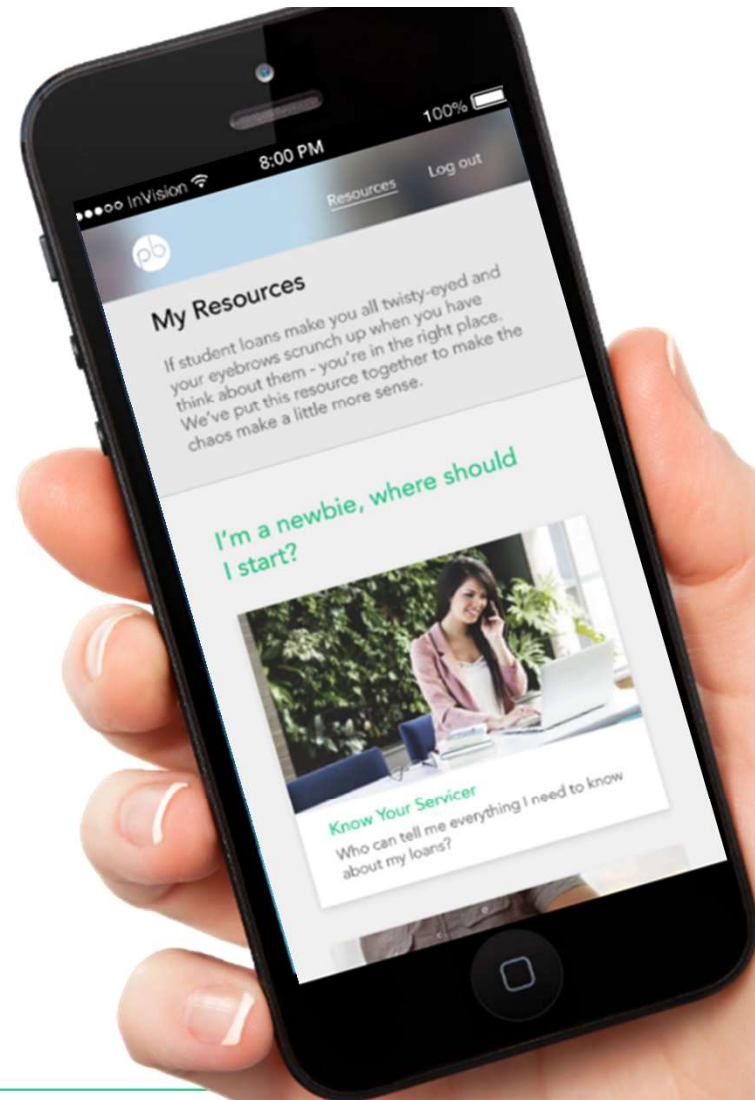
Curated advice & insights



Refinancing Marketplace



Free & Paid Counseling



Learn more at: <https://www.getpeanutbutter.com/student-loan-resources/>

# Maximize your impact with Student Loan Repayment



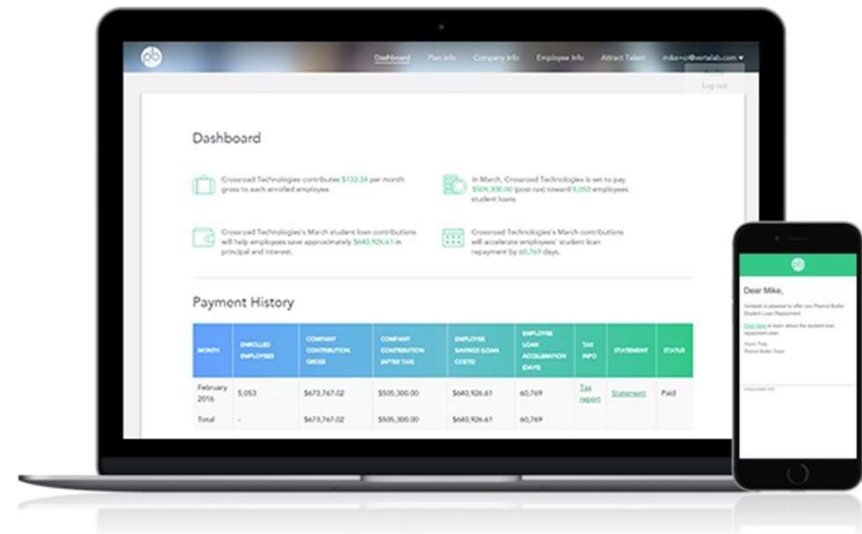
Begin contributing to employee loans at any time



Digital enrollment, loan verification, and support



Payment management, reporting, and communication



Learn more at: <https://www.getpeanutbutter.com/student-loan-repayment/>

# Employees and employers win together...

67%

of potential hires are more willing **to accept a job offer**

‘

Student Loan Assistance is a huge recruiting tool for us... its been a boon for us finding talent”

—Scott Conine, COO 

36%

are willing to stay at a job **longer.**

‘

We’ve seen virtually no turnover among those participating in our Student Loan Assistance program.”

—Mike Ceretto, V.P. People 



## ...while enhancing diversity....

- **2/3** of all student debt is held by women
- African Americans & Hispanics are **2x** more likely to hold student debt
- All three groups take longer to repay student loans, more likely to default



## ...and bolstering culture



## Companies in every industry offer Student Loan Assistance



AVANT

CALABRIO

BioTelemetry<sup>inc.</sup>



User reviews and testimonials: <https://www.g2.com/products/peanut-butter/reviews>

# Being an employer of choice has never been so easy



Provision your account  
and Repayment plan  
(15 minutes)



Initiate program  
(45 minutes)

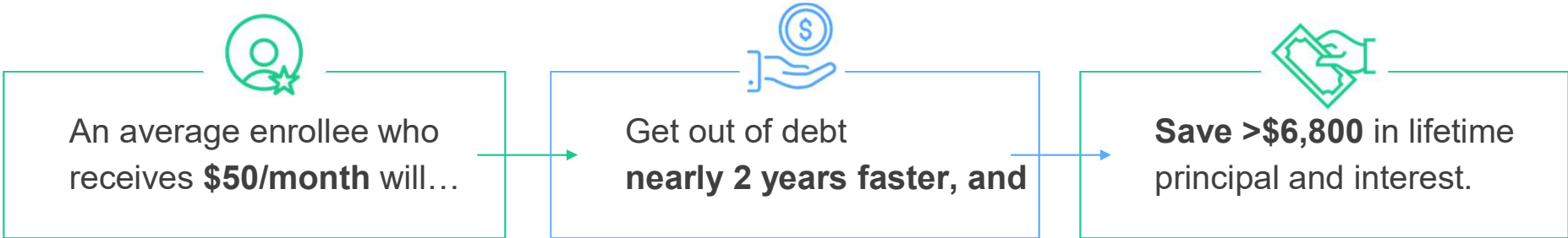


Initiate enrollment then follow streamlined  
process to record the company's  
contributions  
(30 minutes/month)



# Getting Started

# Modest contributions, meaningful impact



Assumption: \$31,000 loan at 6% amortized over 10 years.

# Student Loan Repayment plan design recommendations

**\$50/month**

A little bit goes a long way, **especially today.**

**All FTEs Eligible**

Likely participation **25%.**

**Effective date**

Start anytime, system communicates timing.



## Select a popular plan or design your own



# Consider adopting a Section 127 plan

	Taxable	Assumptions
<b>Employer Costs</b>		
Contribution (1)	\$ 100.00	
Social Security (2)	\$ 6.20	6.20%
Medicare (3)	\$ 1.45	1.45%
FUTA (4)	\$ 0.60	0.60%
SUTA (5)	\$ 1.00	1.00%
Workers Comp (5)	\$ 1.00	1.00%
<b>Total</b>	<b>\$ 110.25</b>	



	Tax-free	
	\$ 100.00	
	\$ -	Employer saves <b>\$10.25</b> in payroll taxes
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>Total</b>	<b>\$ 100.00</b>	

<b>Employee Costs</b>		
Federal Income Tax (6)	\$ 17.03	17.03%
Social Security (2)	\$ 6.20	6.20%
Medicare (3)	\$ 1.45	1.45%
State Income Tax (7)	\$ 5.00	5.00%
<b>Total</b>	<b>\$ 29.68</b>	
<b>Employee Benefit</b>		
Contribution to student loan	\$ 100.00	



	\$ -	Employee saves <b>\$29.68</b> in income taxes
	\$ -	
	\$ -	
	\$ -	
	\$ -	
<b>Total</b>	<b>\$ -</b>	
	\$ 100.00	



Assumptions: (1) annual limit \$5,250, (2) applied to first \$137,700 gross wages, (3) increases to 2.35% above \$200,000, (4) varies with state credits, paid on first \$7,000 gross wages, (5) varies with employer experience, (6) based on 2020 federal tax table for individual with gross earnings of \$83,370, (7) varies by state.

# It's now more efficient for employers to contribute

## Employer

	Amount
Section 127 Contribution (1)	\$ 100.00
Social Security (2)	\$ -
Medicare (3)	\$ -
FUTA (4)	\$ -
SUTA (5)	\$ -
Workers Comp (5)	\$ -
<b>Net Contribution to Student Loan</b>	<b>\$ 100.00</b>



employees & job candidates are going to ask employers to contribute

## Employee

	Amount
Gross Wage	\$ 142.21
Federal Income Tax (6)	\$ 24.22
Social Security (2)	\$ 8.82
Medicare (3)	\$ 2.06
State Income Tax (7)	\$ 7.11
<b>Net Pay</b>	<b>\$ 100.00</b>
<b>Net Contribution to Student Loan</b>	<b>\$ 100.00</b>



**Assumptions:** (1) annual limit \$5,250, (2) applied to first \$137,700 gross wages, (3) increases to 2.35% above \$200,000, (4) varies with state credits, paid on first \$7,000 gross wages, (5) varies with employer experience, (6) based on 2020 federal tax table for individual with gross earnings of \$83,370, (7) varies by state.



Peanut Butter  
Student Loan Assistance

# Employee Experience

# Help employees take charge with *Student Loan Resources*



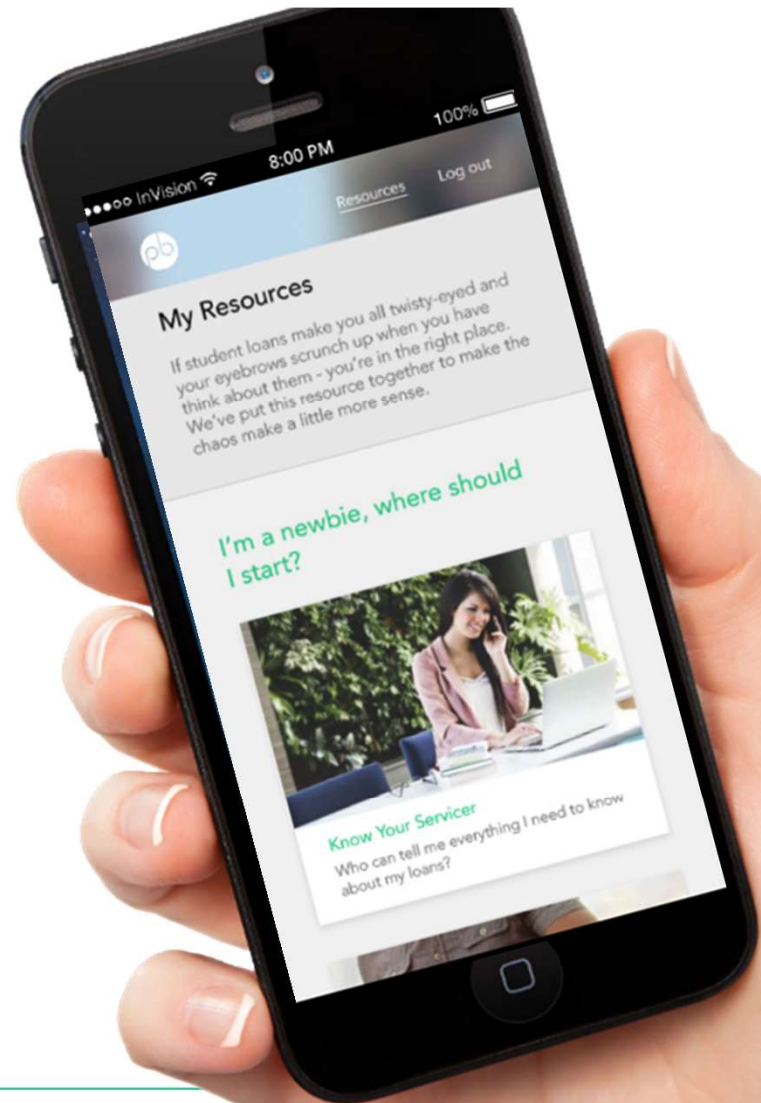
Curated advice and insights



Refinancing marketplace



Free and paid counseling





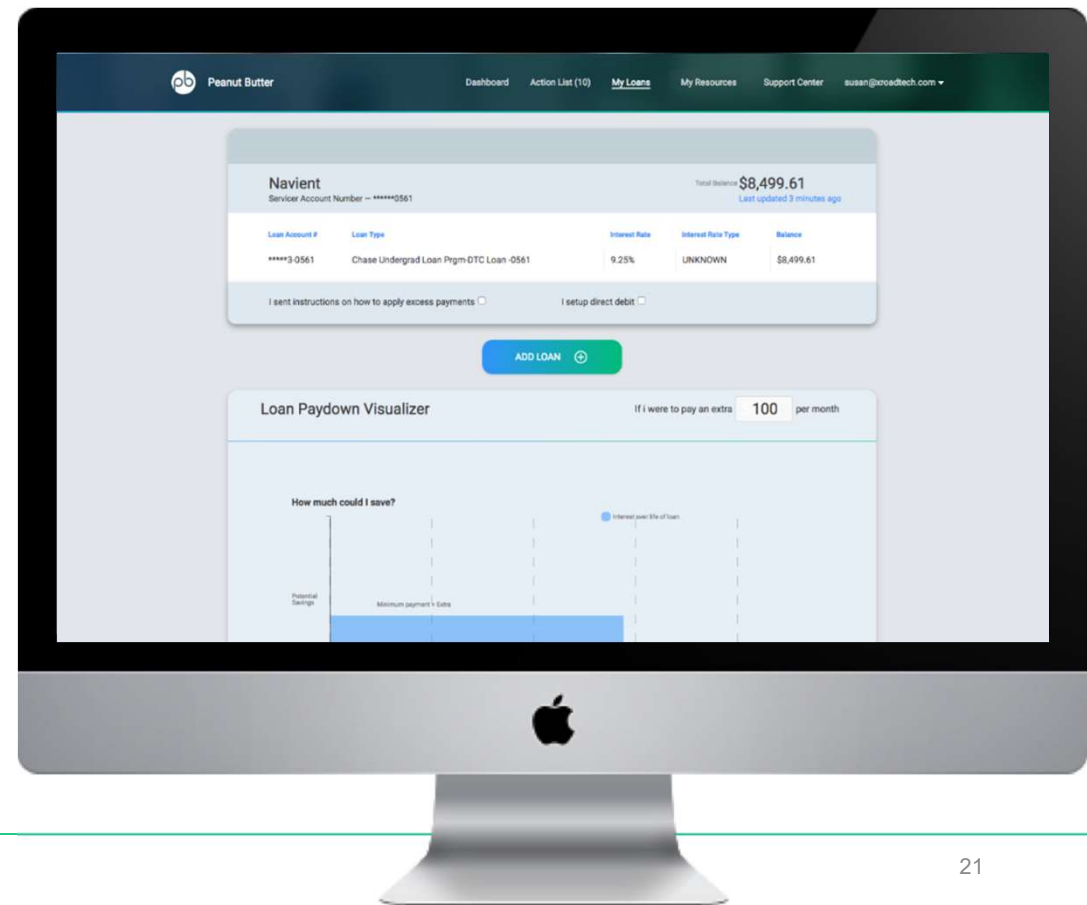
## Curated advice and insights

Organize loans in one place

Link federal and private loans

Visualize paydown scenarios

Receive personalized guidance





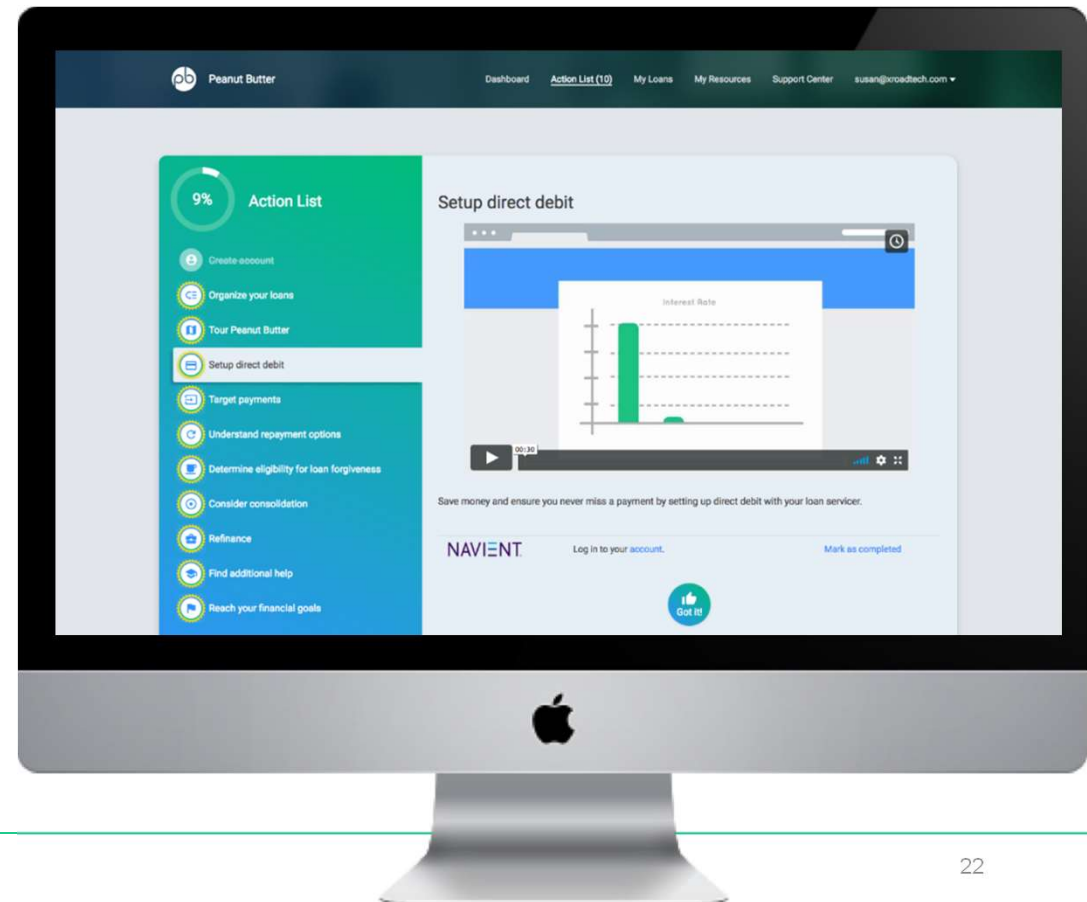
## Curated advice and insights

Action items to help save money

Prioritized strategy and tactics

Video tutorials and guides

Student loans and beyond





# Refinancing marketplace

Get prequalified in under 2 mins

Lenders compete to serve you

Credit score is never run

Telephone support available

Lenders & Rates	Eligible Loans	100% Free
Advantage Education Loans	Rates from (APR) Fixed: 4.09%	Loan term 10, 15, 20, 25 yrs Eligible degrees Undergrad & Graduate
Citizens Bank	Rates from (APR) Fixed: 3.35% <sup>1</sup> Variable: 2.79% <sup>1</sup>	Loan term 5, 10, 15, 20 yrs <sup>1</sup> Eligible degrees Undergrad & Graduate
College Ave	Rates from (APR) Fixed: 3.35% Variable: 2.75%	Loan term 5 - 15 yrs Eligible degrees Undergrad & Graduate
Connex	Rates from (APR) Fixed: 4.25% Variable: 3.08%	Loan term 5, 10, 15, 20 yrs Eligible degrees Undergrad & Graduate
Earnest	Rates from (APR) Fixed: 3.35% Variable: 2.57%	Loan term 5 - 20 yrs Eligible degrees Undergrad & Graduate
EDvestinU	Rates from (APR) Fixed: 4.69% Variable: 3.98%	Loan term 10, 15, 20 yrs Eligible degrees Undergrad & Graduate
iHELP	Rates from (APR) Fixed: 4.75% Variable: 3.88%	Loan term 10, 15, 20 yrs Eligible degrees Undergrad & Graduate
MEFA	Rates from (APR) Fixed: 4.95% Variable: 4.03%	Loan term 15 yrs Eligible degrees Undergrad & Graduate
RISLA	Rates from (APR) Fixed: 3.49%	Loan term 5, 10, 15 yrs Eligible degrees Undergrad & Graduate

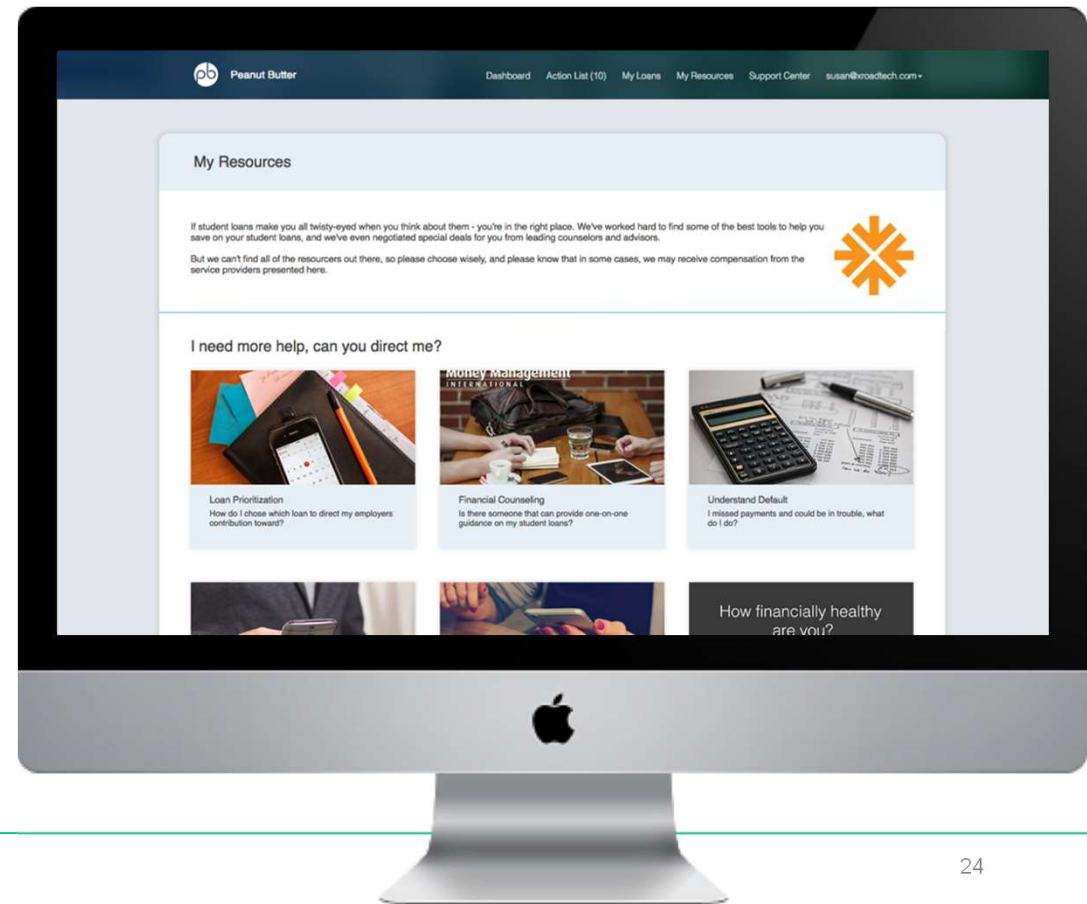


# Debt counseling options

Extra help when it's needed

Curated portal to free services

Preferred rates from advisors



# Maximize your impact with *Student Loan Repayment*



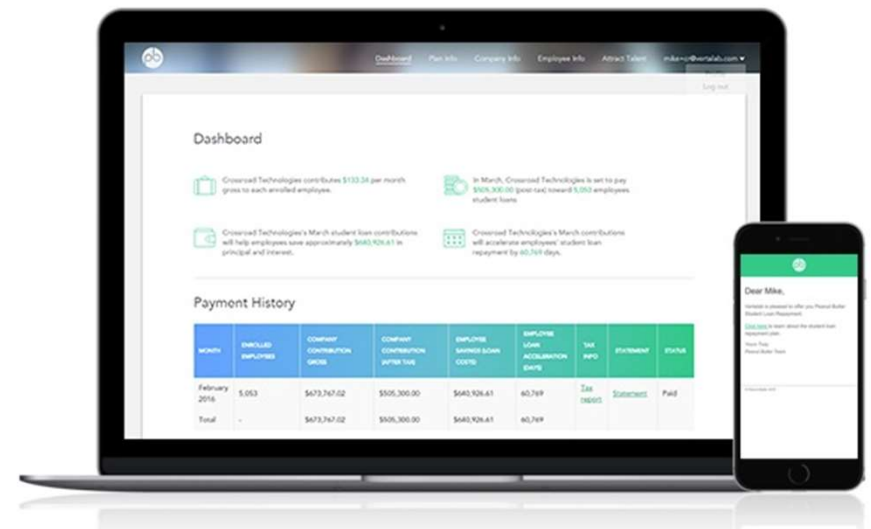
Begin contributing to employee loans at any time



Digital enrollment, loan verification, and support



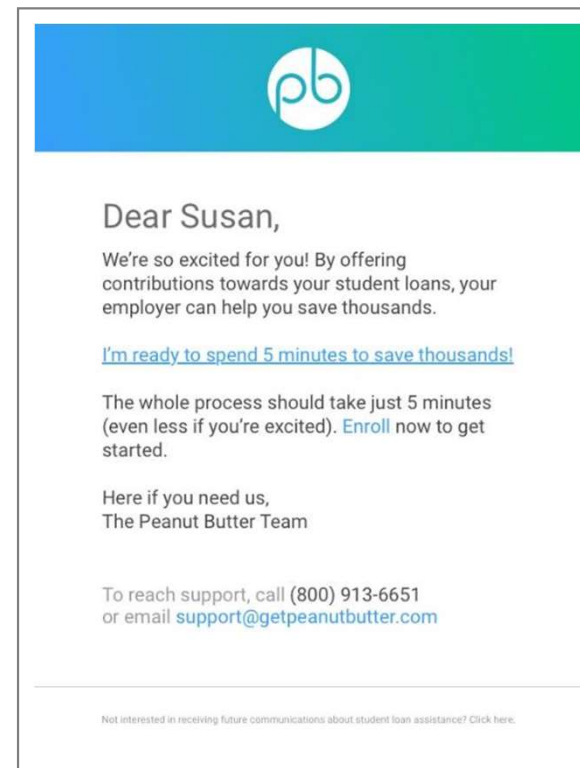
Payment management, reporting, and communication





# Enrollment, loan verification, support

## Welcome Email





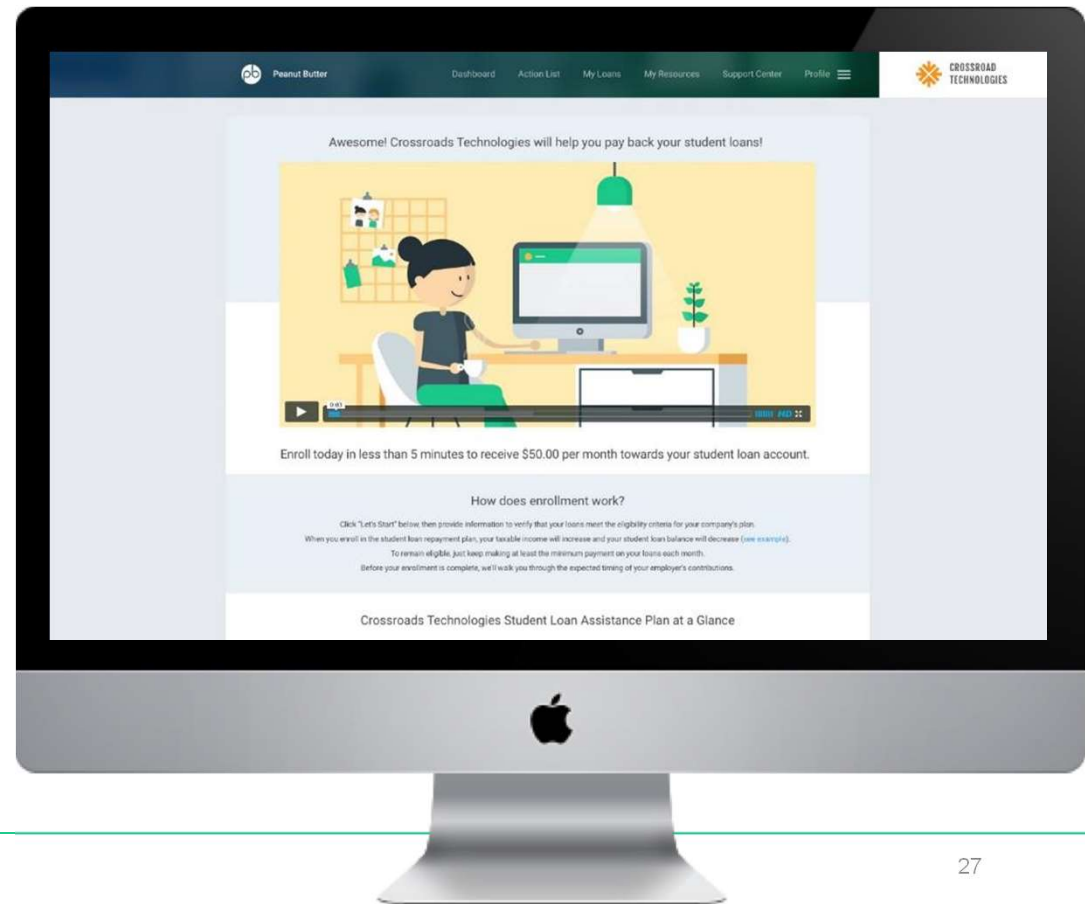
# Enrollment, loan verification, support

Digital enrollment

Explanation of benefits

Qualification review

Toll-free help line





# Enrollment, loan verification, support

Terms of Use

Protect Employer

Protect Employee

Payment Timing &

Responsibilities

PEANUT BUTTER, INC.

EMPLOYEE USER

TERMS AND CONDITIONS

DO NOT ACCEPT THESE TERMS AND CONDITIONS, WHICH CONSTITUTE A LEGALLY BIND CONTRACT, BEFORE YOU READ THE ENTIRE DOCUMENT.

Services

Peanut Butter, Inc. ("Peanut Butter") provides certain administrative services ("Services") to your employer ("Employer" or "Client") in connection with the student loan assistance benefit program ("Program") being offered by your Employer. The Services are provided via our website at <https://www.getpeanutbutter.com>. If your Employer is offering a student loan repayment plan ("SLR Plan"), your Employer is solely responsible for making contributions on behalf of its employees to student loan accounts and applicable student loan servicers.

PEANUT BUTTER HAS NO RESPONSIBILITY OR LIABILITY TO EMPLOYEES OF OUR CLIENTS FOR ANY PROGRAM PROVIDED BY THEIR EMPLOYER. CLIENTS MAY MODIFY OR CEASE OFFERING PROGRAMS FROM TIME TO TIME IN EACH CLIENTS DISCRETION.

Eligibility & Enrollment

By enrolling into the Program offered by your Employer, you represent and warrant to Peanut Butter that:

you are an active employee approved and eligible to participate in your Employer's Program;  
you are an individual person at least 18 years of age and able to form legally binding contracts under applicable law;  
all information provided by you to Peanut Butter is correct and current, and you will update such information with Peanut Butter as soon as it changes;  
you will comply with applicable laws and regulations;  
you will not use the Services in connection with any fraudulent or illegal activity or in any manner which interferes with the operation of Peanut Butter; and





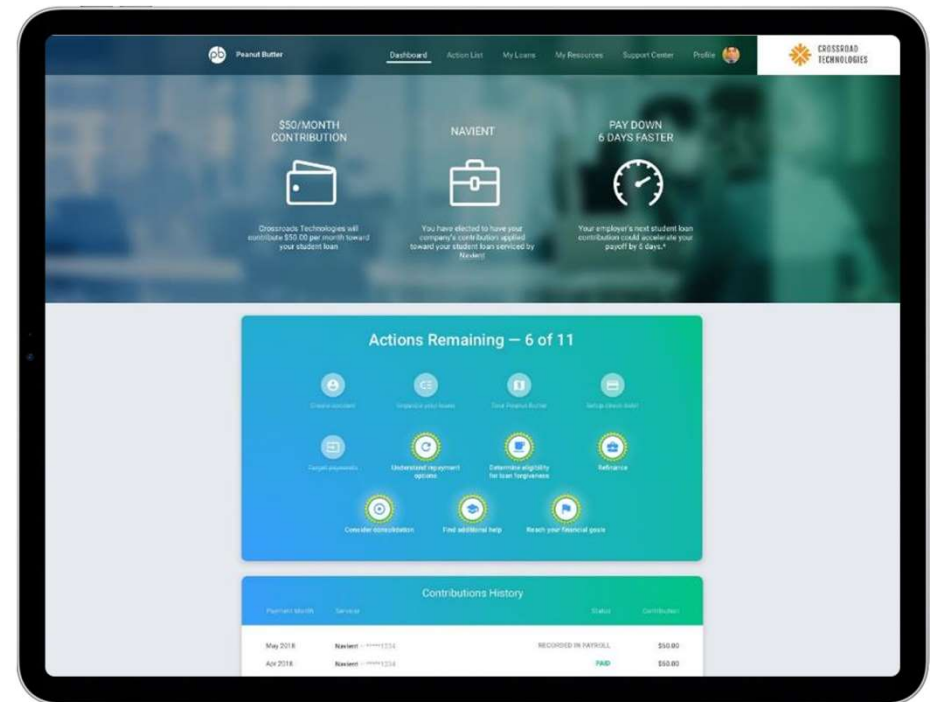
# Payment management and reporting

Remittance to loan servicers

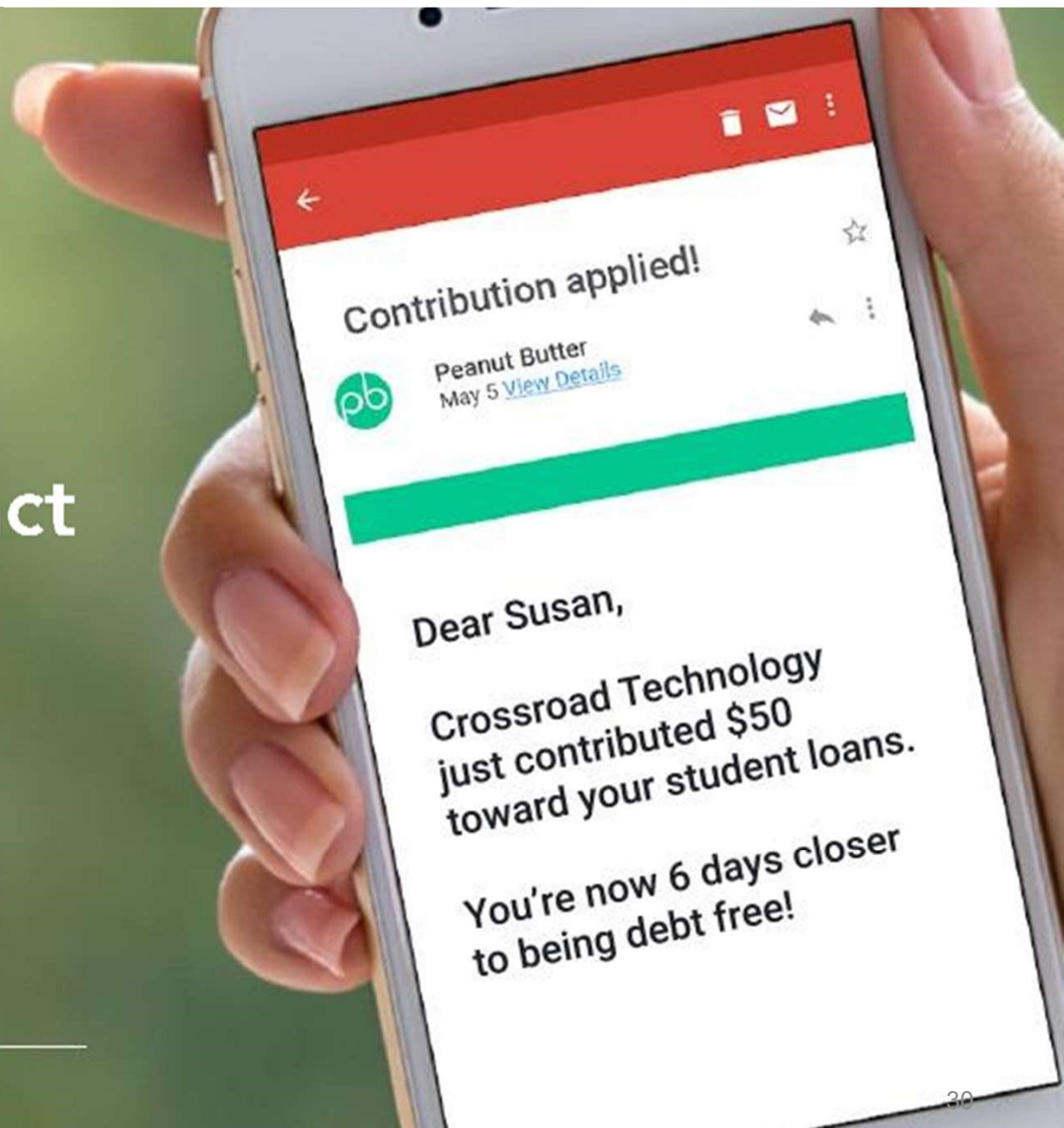
Quantification of impact

Employee, employer dashboards

Bank-level security



Consistent and  
positive reminder of  
your company's impact



# Q&A



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The implementation and administration of this benefit has been both intuitive and painless."

—Trisha Nomura, Chief People Officer



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