

Illinois Wesleyan University 2009-2010 Preferred Lender List for Federal Loans

General Information

To assist families in choosing a lender, the Financial Aid Office has compiled a list of institutions that we consider to be excellent in the educational lending field. None of the lenders listed are affiliated with the others. Each lender included is nationally recognized and intends to remain in the student loan business long-term. We have found each of these lenders to provide prompt reconciliation of loan issues. They also provide fast electronic payment of loan funds directly to your IWU billing account.

However, you are not required to use any of the lenders listed. You may designate any eligible bank or lender, and IWU will process your loan as quickly as possible. If choosing a lender not on our list, we may ask you to supply information about the lender you choose.

The Financial Aid Office is committed to recommending lenders who provide good service and benefits to our borrowers. We survey 10-20 lenders each year and ask them to provide extensive information regarding their benefits and services by completing a survey electronically. The information is reviewed and ranked using criteria developed by Texas Guarantee List Assist. The results of these rankings and the responses to them are evaluated. IWU has chosen the highest-scoring lenders to include on our Federal Stafford Loan Lender Information Sheet.

The interest rate for the Stafford loan program is determined by federal law and will be the same for all lenders at a fixed rate of 6.8% for the Unsubsidized Stafford Loan. The Interest rate on the Stafford Subsidized loans made to undergraduate students which have a first disbursement on or after July 1, 2009 and before July 1, 2010 is 5.6%. The PLUS loan interest rate is a fixed rate at 8.5%. When considering the various incentives offered by the lenders you may want to keep in mind that an up-front benefit, such as payment of the origination fee, is provided to all the borrowers who select the lender but back-end benefits are on average achieved by only about 20% of borrowers. **Important note: Benefits and services listed are subject to change at any time without notice.**

When evaluating lenders, please consider the following: On May 7, 2008 the Ensuring Continued Access to Student Loans Act (ECASLA) was enacted by Congress. The intention of this legislation was to provide a source of capital for student loan lenders so they could continue to originate Stafford loans during the credit crisis. What this means for Stafford borrowers is that once the lender has paid the loan in full, the loan will be purchased by the U.S. Department of Education. At that point the borrower will receive a Notification of Loan Transfer. The lender

will get their funds back, which they can then use to create more loans, and the student will pay back the loan directly to the government when they are in repayment. However, the lender retains the serial rights to the Master Promissory Note (MPN) and can make future loans under this MPN.

After choosing a lender, you will need to complete a Master Promissory Note with the lender directly. (Please note: If you later change to a different lender or a different school, you will need to complete a new Master Promissory Note.)

Feel free to contact the Financial Aid Office if you have any questions about the process or the lenders selected.

Lenders (in alphabetical order)

Chase

1-800-487-4404

Lender Code: 803000

www.chasestudentloans.com

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic account debit from a bank account during the repayment phase.
- Borrower access: 800 number, 24/7 internet account login available, website
- E-signature of loan application available
- See website or call for important terms and information. Benefits apply to Stafford and PLUS loans originated under Chase lender code 803000 that are first disbursed on or after May 1, 2009, for a loan period that includes, or begins after, July 1, 2009. Please note that while Chase intends to sell its 2009-2010 FFELP loans to the U.S. Department of Education, the Department has indicated that it will continue to honor this interest rate reduction benefit.
- Offers private loan products

Citibank

1-800-967-2400

Lender Code: 826878

www.studentloan.com/schools/iwu

- Auto-Debit Reward: 0.25% interest rate reduction when you enroll in auto-debit payment program and agree to receive only electronic statements
- Borrower access: 800 number, 24/7 internet account login available, website
- Make no payments while in school, no pre-payment penalty
- E-Signature of loan application available

- A variety of options to postpone payment
- Offers private loan products

Commerce Bank

1-800-666-3910

Lender Code: 813979

www.commercebank.com/personal/student/services/loans/

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic debit from a bank account during the repayment phase.
- A live person answers the phone when you call the toll free number (800-666-3910)
- Personalized customer service to borrowers
- Numerous repayment options and online account access
- Commerce has been in the student loan business for 45 years
- Commerce disburses the loans (does not rely on a third party)

Discover Student Loans

1-877-728-3030

Lender Code: 831312

www.discoverstudentloans.com

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic debit from a bank account during the repayment phase.
- Borrower access: 800 number, online access to account, email, website
- E-signature of loan application with FAFSA PIN
- No outsourcing of customer service
- Does not sell their loans
- Offers private loan products

Edamerica

1-800-337-1009

Lender Code: 83145

www.edamerica.net

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic debit from a bank account during the repayment phase.
- Borrower access: Text chat via Edlive with dedicated customer service reps, 800 number, online access to account, email, website, 24/7 online account maintenance
- E-signature of loan application , no FAFSA Pin needed

- No outsourcing of customer service
- Currently sells loans to the Department of Education
- Does not offer private loans

National Education

1-800-345-4325

Lender Code: 834378

www.nationaled.net

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic debit from a bank account during the repayment phase.
- Option to postpone making payments while student is in school at least half-time and for six months thereafter (PLUS Loans)
- Borrower access: 800 number, email, website, 24/7 online account access
- E-signature of loan application with FAFSA PIN
- Instant online conditional loan approval (PLUS)
- Staff assists with a “Second Look” option to resolve denied loans (PLUS)
- No outsourcing of customer service
- Currently sells loans to the Department of Education
- Does not offer private student loans

Sallie Mae

1-888-272-5543

Lender Code: 802218

www.SallieMae.com

- You may qualify for a 0.25 percentage point interest rate reduction when you make payments on your Sallie Mae Stafford loan by automatic debit
- Unwavering commitment and stability for more than 35 years-we have helped over 31 million students realize their dream of a higher education
- Easy online application and 24/7 online account management
- Manage approximately \$185 billion in student loans and serve approximately 10 million customers with our convenient call center hours and highly trained, knowledgeable service representatives.
- Join Upromise by Sallie Mae at Upromise.com, and you can use the rewards you earn on your everyday purchases to help automatically pay down your eligible Sallie mae-serviced loans with Upromise Loan Link
- Offers private loans

Wells Fargo

1-800-658-3567

Lender Code: 807176

www.wellsfargo.com/student

- Auto-Debit Reward: 0.25% interest rate reduction when payments are set up for recurring automatic debit from a bank account during the repayment phase.
- Borrower access: 800 number, online access, email, website, IVR (interactive voice response)
- E-signature of loan application, no FAFSA PIN needed
- Currently no outsourcing of calls
- Sells loans to the Department of Education
- Offers private student loans. Offers an entrance guide before borrowing private loans:
<http://wfefs.wellsfargo.com/jump/PrivateLoanGuide.pdf>

Texas Guaranteed Student Loan Corporation (TG)

TG will continue to pay the one percent federal default fee on behalf of its borrowers for federal Stafford and PLUS loans for the 2009-2010 award year. TG is a public, nonprofit corporation that helps create access to higher education for millions of families and students through its role as an administrator of the Federal Family Education Loan Program (FFELP). Additional information about TG can be found online at www.tgslc.org.