

Stafford Loan Lender Comparison

| Stafford Loan Lender | Loan Fees | Borrower Benefits | Sale of Loans | Customer Service |
|----------------------|--|--|---------------------------------------|--|
| Access Group | <ul style="list-style-type: none"> • 1.0% Origination Fee • 0% Default Fee | <ul style="list-style-type: none"> • 0.25% interest rate reduction for auto-debit payments. | Access Group will own the loan. | <ul style="list-style-type: none"> • Online account access • Excellent customer service • Auto fund delivery |
| Citibank | <ul style="list-style-type: none"> • 1.0% Origination Fee • 0% Federal Default Fee | <ul style="list-style-type: none"> • 0.25% interest rate reduction for E-Z Pay auto-debit payments. • .50% automatic rate reduction upon repayment. If late with a payment, the benefit is recovered after 24 on-time monthly payments. • Zero payments your last six months. | Citibank will own the loan. | <ul style="list-style-type: none"> • Online account access • Website is informative and easy to navigate • Excellent customer service • Auto fund delivery |
| National City Bank | <ul style="list-style-type: none"> • 0% Origination Fee • 0% Federal Default Fee if using MGA as the guarantor | <ul style="list-style-type: none"> • 0.10% interest rate reduction for auto-debit payments. | National City Bank will own the loan. | <ul style="list-style-type: none"> • Online account access • Excellent customer service • Auto fund delivery • Lender Direct Customer service 800-622-5097 |
| Nelnet | <ul style="list-style-type: none"> • 1.0% Origination Fee • 0% Federal Default Fee | <ul style="list-style-type: none"> • 0.25% interest rate reduction for auto-debit payments. | Nelnet will own the loan. | <ul style="list-style-type: none"> • Online account access • Excellent customer service • Auto fund delivery |
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*Benefits are subject to change at the discretion of the lenders.

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Over 3,000 lenders participate in the federal Stafford and PLUS loan programs and each may join with one or more guaranty agencies, servicers, and secondary markets to provide the entire loan program. Students may borrow from any lender that offers a particular loan program. UDM will not take any action to delay processing if a student chooses a lender other than one suggested by us. UDM does not receive any compensation from any lender in exchange for suggesting them or when a student submits an application to them.

Agreements between these various loan partners can provide reduced borrowing fees and interest rates, financial literacy training, customized services, default prevention activities, streamlined processing of loan applications, and efficient delivery of funds.

In the Scholarship and Financial Aid Office, we work with loan program providers every day and believe that our experience can help students understand the federal student loan programs and make wise borrowing choices. When providing our students with information about various lenders and offering suggestions for lenders to borrow from, we consider several criteria about the lender and their benefits. These criteria include:

- no borrowing fees
- low interest rates
- flexible repayment options
- automated application and funds delivery
- a focus on default prevention
- online self-service tools
- excellent service to you and the University of Detroit Mercy

We encourage students to consider both the front-end and back-end borrower benefits offered by the various lenders. Front-end benefits are those benefits the student receives immediately upon disbursement of the loan, such as 0% origination and default fees. Back-end benefits are those benefits that students are eligible for when they enter repayment on the loan, such as interest rate reductions for participating in auto-debit payment plans or making a certain number of on-time monthly payments. Back-end borrower benefits usually have specific criteria that must be met in order for the student to remain eligible for the benefit, so it is important that the student is aware of these requirements when they choose a lender.

UDM reviews its lender list annually and updates the list based on changes in loan programs offered by various lenders. The primary focus is on helping students choose the lender with the benefits that best suit the borrowing needs of the student, will be the most financially beneficial to the student in terms of opportunities to save money from borrower benefits, and have excellent customer service for the student.