

DISCLOSURE of METHOD and CRITERIA USED TO DEVELOP A SUGGESTED LENDER LIST FOR FEDERAL LOANS AT UWM

Selecting a lender from which to borrow a Federal Stafford, Parent PLUS, or Grad PLUS loan has become increasingly complex. In an effort to help UWM students and families navigate the process, a “Suggested Lender List” is provided. Although a “Suggested Lender List” is provided, you should keep in mind that:

- lenders have not been ranked;
- lenders are listed in random order on our website and in alphabetical order on printed materials;
- only lenders that submitted a response to our Request for Information were evaluated; there are thousands of participating lenders—you are encouraged to compare our list to other lenders to find the lender that is best for you;
- Potential savings in many cases are tied to repayment method. For example, a lender may offer an interest rate reduction if repayment is by auto-debit (automatic withdrawal from your checking or savings account.) Therefore, a borrower must compare benefits carefully.
- Lenders on this list have signed a statement affirming that they meet the standards listed below.

You are not required to use a lender that appears on the Suggested Lender List.

METHOD USED TO DEVELOP SUGGESTED LENDER LIST—

Lenders were invited to complete a Request for Information (RFI) made available through the Financial Aid Department. The intent of the RFI process was to identify the lenders providing the best combination of services and benefits to borrowers. All information provided by participating lenders is self-reported and has not been independently verified by UWM. A review of the RFIs submitted was conducted and, based on substantially complete responses those that met established minimum standards/criteria are included on the “2009-2010 Suggested Lender List.”

This process is consistent with University of Wisconsin System Board of Regent Policy Document 13-5 (University of Wisconsin System Policy on Institutional and Employee Relationships with Educational Loan Lenders): <http://www.uwsa.edu/bor/policies/rpd/rpd13-5.htm>.

STANDARDS/CRITERIA—

1. A lender’s submission was responsive to UWM’s Request for Information (RFI).
2. The lender offers origination, guaranty, and disbursement services via Great Lakes Educational Loan Services, Inc.
3. Lender must offer savings to the borrower similar to standard federal loan fees/repayment or better (e.g., lender pays origination fee, offers interest rate reduction, etc). Lender must offer savings in all three programs (Stafford, Parent PLUS and Grad PLUS). In addition, a lender cannot require that a borrower establish a bank account with that lender to receive the aforementioned borrower benefits/savings .
4. All aspects of borrowing the Federal student loan (including completing the application, completing entrance and exit loan counseling, the disbursement of loan funds, and returning any refunds to lender) can be done electronically.

5. The loan servicer used by the lender (see definition in #7) has established customer service standards. Lenders/servicers listed meet the following minimum standards:
 - 75% of telephone calls are answered in 60 seconds or less
 - average abandonment rate (callers hanging up before talking to representative): 4% or less
 - average turnaround for email: 2 days or less
 - average turnaround for correspondence: 2 days or less
6. Lender has at least one representative assigned to communicate directly with UWM Financial Aid Department staff for questions and problem resolution. UWM Financial Aid staff members are also provided access to online information with regard to the status of loans being borrowed by UWM students.
7. Under normal circumstances, it is the business practice of the lender to retain the same servicer for the life of the loan. (A servicer is an organization contracted by a lender to manage or service any aspect of a lender's participation in the Federal Family Education Loan (FFEL) program.)
8. Lender offers information or programs on financial literacy.
9. Lender or servicing partner offers default prevention tools or resources.
10. Lenders have signed an agreement stating they meet these criteria and use these standards. Lenders will contact UWM if they are no longer able to meet the criteria. UWM reserves the right to remove a lender from the List if a lender is not meeting these standards.

There are thousands of lenders and you may choose to borrow from any lender that participates in the Federal Family Education Loan program. Borrower benefits vary by lender; you are strongly encouraged to conduct your own research to determine which lender may be the best for you. For more information, please visit the specific lender's website. Another recommended site is <http://www.finaid.org> which also has a calculator to help you determine potential loan savings.