

Lender	Borrower Benefits	Estimated Savings On		Key Points About Benefits	Disqualifying Features
		\$15,000	\$25,000		
AELMAC/Southwest Student Services Corporation P.O. Box 78832 Phoenix, AZ 85062-8832 800/367-2369 www.sssc.com Lender Code: 830630	Stafford and PLUS: 1% interest rate reduction at repayment. Additional .25% interest rate reduction for using auto debit.	Stafford: Potential savings of \$1397 PLUS: Potential savings of \$1397	Stafford: Potential savings of \$2005 PLUS: Potential savings of \$2005	Benefits begin at repayment. Life of the loan servicing.	Benefits are lost when borrower is more than 60 days past due.
Bank of America Student Loan Service Center P.O. Box 515210 Los Angeles, CA 90051-6510 800/344-8382 www.bankofamerica.com/studentbanking Lender Code: 824421	Stafford: .25% interest rate reduction for using auto debit. Additional 2% interest rate reduction after 48 months of on-time payments. PLUS: No payments while student is in school at least 1/2 time (granted upon request for a maximum of 48 months while the student is enrolled). .25% interest rate reduction for using auto debit.	Stafford: Potential savings of \$965 PLUS: Potential savings of \$218	Stafford: Potential savings of \$1862 PLUS: Potential savings of \$365		Benefits are lost when borrower is 15 days past due.
Bank One P.O. Box 59012 Panama City, FL 32412 888/272-5543 www.studentloan.net Lender Code: 805156	Stafford: 3.3% principal reduction after 33 on-time payments. PLUS: .25% interest rate reduction for using auto debit.	Stafford: Potential savings of \$661 PLUS: Potential savings of \$278	Stafford: Potential savings of \$1101 PLUS: Potential savings of \$463	Sign up for <i>Manage Your Loans</i> at www.salliemae.com and agree to receive Sallie Mae account information via email.	Borrowers have a 14-day grace period to make an on-time payment. Benefits are lost on the 15th day.
Matadors Community Credit Union CHELA FINANCIAL, USA, INC. P.O. Box 9088 Mesa, AZ 85214-9088 866/792-4352 www.matadors.org Lender Code: 820192	Stafford: 1.50% interest rate reduction upon entering repayment. Additional .25% discount for using auto debit. PLUS: .75% interest rate reduction upon entering repayment. Additional .25% discount for using auto debit.	Stafford: Potential savings of \$1625	Stafford: Potential savings of \$2711	Minimum balance requirement of \$7,500. Benefits begin at repayment.	Benefits are lost when borrower is 30 days past due.
Citibank Student Loan Corporation P.O. Box 6128 Sioux Falls, SD 57117-6128 800/967-2400 www.studentloan.com/schools/ca/state/northridge Lender Code: 826878	Stafford: 1% principal reduction at repayment. Additional .25% interest rate reduction with auto debit. Further 2% interest rate reduction after first 48 months of on-time payments. PLUS: 1% principal reduction 90 days after final disbursement. .25% interest rate reduction with auto debit.	Stafford: Potential savings of \$891	Stafford: Potential savings of \$1431		Benefits are lost if borrower is 15 days past due.
Educaid/Wachovia P.O. Box 13667 Sacramento, CA 95853-3667 800/347-7667 www.educaid.com Lender Code: 830005	Stafford and PLUS: 1% principal rebate after 24 months of on-time payments. 1% principal rebate after 30 months of on-time payments. 1.5% principal rebate after 36 months of on-time payments.	Stafford: On-time rebate savings of \$525 or principal reduction savings of \$706 PLUS: On-time rebate savings of \$525 or principal reduction savings of \$747	Not available	Borrower must participate in auto debit program to receive benefits.	Benefits are lost if borrower is 30 days past due.
SunTrust Education Loan c/o ACS P.O. Box 92251 Los Angeles, CA 90009-2251 800/835-1161 www.SunTrustEducation.com Lender Code: 819873	Stafford: 2% interest rate reduction after first 48 months consecutive, on-time payments. Rebate of origination fee after first 24 scheduled on-time payments. Amount >\$250 applied to principal. .25% interest rate reduction for using auto debit. PLUS: .25% interest rate reduction for using auto debit. .50% interest rate reduction after 36 months consecutive, on-time payments.	Stafford: Use of auto debit savings of \$385 Origination fee rebate savings of \$385 On-time rebate savings of \$755 PLUS: Use of auto debit savings of \$385 On-time rebate savings of \$320	Stafford: Use of auto debit savings of \$604 Origination fee rebate savings of \$958 On-time rebate savings of \$1210 PLUS: Use of auto debit savings of \$641 On-time rebate savings of \$534	No minimum balance required.	Benefits are lost if borrower is 15 days past due.
Wells Fargo Educational Financial Services P.O. Box 5185 Sioux Falls, SD 57117-5185 800/658-3567 www.wellsfargo.com/per/student/finaid/finaid_overview Lender Code: 807176	Stafford: .25% interest rate reduction for using auto debit. 2% interest rate reduction after first 48 months consecutive, on-time payments. Rebate of 3% origination fee minus \$250 after the first 24 months of consecutive, on-time payments. PLUS: .25% interest rate reduction for using auto debit. Interest-only payments while student is in school.	Stafford: Potential savings of \$908 PLUS: Potential savings of \$959	Stafford: Potential savings of \$1514 PLUS: Potential savings of \$1598	Life of the loan servicing.	Benefits are lost if borrower is 15 days past due.

Choosing a Lender For Your Federal Loan

Before selecting a lender for your Federal Loan, ask yourself, **“What is important to me when choosing a lender?”** Since the federal government sets the interest rates on Federal Loans, lenders sometimes offer borrowers special “incentives” or discounts to make borrowing from them more appealing. **However, not all incentives are the same!** Take time to become familiar with the lenders profiled on your school’s lender partner list, and closely examine the borrower benefits they offer. Choose a lender that makes obtaining a student loan easy and affordable. Choose a lender that looks out for **your** best interest. Borrow only what you need and borrow wisely. Here are some questions to ask when choosing a lender and some things to watch out for:

What **upfront fees** do I pay on my loan?

Upfront fees are fees you pay when taking out the loan. These fees are also called origination fees and guaranty fees, and usually range from 0-4% of the loan amount.

Does the lender discount or waive the upfront fees?

Upfront fees are normally deducted from the amount of the education loan before it is disbursed. This means that borrowers get **less** than the full amount of the loan they request. Some lenders discount or waive the origination fee. Some guaranty agencies also waive their fees. When lenders and guaranty agencies waive their upfront fees, **borrowers receive the full amount of the loan** in their disbursement.

Who will service my loan?

The “Servicer” is the company that handles your student loan in terms of sending you statements, crediting payments and assisting you when you need help. Some lenders will have an outside agency service your loan. Other lenders originate your loan **and** service it for the “life-of-the-loan.” You should be concerned about the manner in which your loan is serviced, because you will have a long-term relationship with the servicer during repayment that may last for 10 years or more. If it is important to you to have one point of contact for your loan and to receive consistent, high-quality service, consider choosing a lender that does its own servicing and doesn’t pass your loan off to a third party.

Will my loan ever be **sold** to another lender or servicing organization?

It is common for lenders to sell student loans to other lenders or servicing companies. In other words, although you borrow from ABC bank, you may receive a bill from someone else. Each time your loan servicer changes, you will have new phone numbers, Web sites, and bill layouts to contend with, and that can often be confusing and inconvenient. Being transferred to a new loan servicer may alter the convenience and quality of the service you receive.

What incentives or interest rate discounts will I receive when I enter repayment?

This is the hardest area to compare lender to lender. Borrowers should read the fine print and not be misled by percentages alone. For example, some lenders may offer borrowers a higher interest rate discount after 48 months of consecutive on-time payments. This means that if you pay your student loan bill on-time for four years, never once being late for a payment, the lender will give you an interest rate discount **after** 4 years. Other lenders may require 24 months of on-time payment to qualify and their discount rate may be a lower percentage. A better scenario is when the benefit starts with your first payment. A smaller percentage discount to your interest rate **beginning at repayment** may save you more in the long run, because you begin saving with your first payment. UPFRONT DISCOUNTS, such as reduced origination fees, are typically the most favorable, because your savings is guaranteed and immediate. Ask your lender what your **total savings** will be over the life of your loan!

Are there **additional discount benefits** available?

Many lenders will offer you an interest rate discount when you choose to have your loan payments automatically deducted from a bank account. However, if you are enrolled in an auto-debit payment program and you do not have sufficient funds available for a given month, your loan discount may be taken away from you.

Are there other ways to lose my discounts/borrower benefits?

Typically benefits are lost if the borrower is “late” for a particular number of days after their scheduled payment date. That number of days later varies by lender. Ask the lender at how many days late you would lose their benefits. Some lenders will only allow you to be seven days late in your payment without penalty; other lenders are more lenient and allow you to pay up to 59 days beyond your due date without penalty. **The more time you have to pay the better.** Also, if you chose to consolidate your loans at a later date, you will most likely lose any benefits that were offered when you took out the loan.

Choosing a Lender For Your Federal Loan

California State University
Northridge

Financial Aid and Scholarship Department
Student Services Building

18111 Nordhoff Street
Northridge, CA 91330-8307

818-677-3000 option 3 to speak to a
Financial Aid Representative

818-677-4907 for Scholarships
and Work Study