

Chowan University's Institutional Policy on Identifying Preferred Lenders for Federal Stafford, Federal Parent (PLUS) Loan & Private Loans

Chowan University believes that students and parents want guidance in choosing lenders from whom to borrow Federal Stafford, Federal PLUS and Private Loans. The University annually compiles a list of lenders who have a proven track record of providing the best loan benefits to students and best customer services to students, parents and schools. Federal guidelines regulate primary features of the student loan programs. Chowan University does not endorse any particular lender. You are free to choose a lender that is not on the preferred lender list. We cannot advise you regarding which lender to choose. Please borrow conservatively.

The university is guided by the following basic principles when selecting lenders to be included on the university's preferred lender list:

- The lender must offer a no-fee loan or lowest fee loan permitted by federal regulation to student and/or parent borrowers
- The lender offers substantial repayment incentives that save borrowers money when in repayment
- The lender has a proven track record of providing quality customer services both to the student or parent and to the institution.
- The lenders should offer a variety of quality products including the availability of private loan products.
- The lender accepts electronic loan certifications and adjustments to loan eligibility through the Electronic Loan Management (ELM) system.
- The lender has a proven track record of servicing loans in repayment, thus reducing the incidence of borrower default.

Customer service is a key factor in determining inclusion on the preferred lender list. Customer service is measured by the following:

- The speed, efficiency and accuracy of loan processing
- Proactive customer communication, including easy access to a borrower's current and cumulative borrowing and estimated repayment information
- Timely and responsive processing with excellent problem-resolution service
- Web-based application and lender technology support for their online services
- Borrowers ability to access and manage their account online 24/7
- Loan and debt management assistance
- Toll free number for information and advice

Additional considerations for choosing preferred lenders is given to:

- Experience and longevity in student loan business
- Stability of the lender
- Demonstrated security of borrower information
- Commitment to helping shape national student loan policy
- Policy on the sale or sharing of borrower information with other parties
- Web-based default management and debt counseling presentation, entrance and exit loan counseling assistance
- Early intervention inquiries with borrowers who are delinquent on their loan payments

Chowan University offers a side-by-side comparison of lender benefits whether it appears on the front end of the loan or at disbursement or during the course or repayment. The chart is accessible either through our web site or in hard-copy when requested. A student and/or parent can also choose to compare lender resources by using ELM Select @ <http://www.elmselect.com/oll/Agreement> . Elm Select is free to students and parents to use and also provides an additional comprehensive neutral list of student loan lenders to provide even greater choice. These lenders are listed alphabetically without preference. Chowan University has chosen 6 preferred lenders for loan comparison using ELM Select. These lenders will be sorted randomly without preference. All preferred lenders can be viewed on one page and then be compared side-by-side for clear and simple selection.