

# University of Hartford

## Recommended Federal Stafford Loan Lenders

Lender	Code	Origination Fee	Servicer	Borrower Benefits
Wells Fargo	807176	1%	Wells Fargo	-
Nelnet	833669	1%	Nelnet	.25% interest rate reduction for auto debit
EdAmerica	831453	1%	Ed Financial Services	.25% interest rate reduction for auto debit
Citizens	807745	1%	Nelnet	.25% interest rate reduction For auto debit
Citibank	826878	1%	Citibank	.25% interest rate reduction for auto debit
Chase	803000	1%	Department of Education	.25% interest rate reduction for auto debit

## Recommended Federal PLUS Loan Lenders

Lender	Code	Origination Fee	Servicer	Borrower Benefits
Nelnet	833669	3%	Nelnet	.25% interest rate reduction for auto debit
EdAmerica	831453	3%	Ed Financial Services	.25% interest rate reduction for auto debit
Citizens	807745	3%	Nelnet	.25% interest rate reduction For auto debit
Citibank	826878	3%	Citibank	.25% interest rate reduction for auto debit, second-look process for denials
Chase	803000	3%	Department of Education	.25% interest rate reduction for auto debit

**Federal Loan applications for these lenders can be completed through our recommended guarantor at [www.amsa.com](http://www.amsa.com) or calling 800-999-9080.**

Please use this as a guide of things to think about when researching lenders. It is also strongly recommended you continue to use the same lender throughout your education. This will generate only one monthly bill making repayment easier upon graduation, leave from school, or drop below half-time enrollment.

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## **Why does the University of Hartford have recommended lenders and guarantor?**

The University has recommended lenders and a guarantor to help students and their parents navigate the federal loan process. We closely monitor their performance to ensure the highest quality of service. Our recommended lenders and guarantor have demonstrated a commitment to providing the very best in customer service, technology and quick processing. They have worked collaboratively with the higher education community to continuously improve and expand their services to students and families and to keep costs to you as low as possible.

## **Do I have to use one of the recommended lenders or guarantor?**

You may choose any lender or guarantor participating in the Federal Family Education Loan program. The University will not penalize a student in any way for choosing an entity not listed on this chart. Please be aware that some smaller banks, credit unions, and "start up" lenders do not participate in the electronic processes used at the University of Hartford. Electronic processing allows the University to get you your loan funds as quickly as possible. Selection of one of these "paper process" lenders may slow the processing of your student loans.

## **What is a guarantor?**

A guarantee agency (guarantor) is a state or private non-profit organization having an agreement with the Secretary of Education to administer a loan guarantee program under the Higher Education Act. What this means is that they will reimburse a lender for some portion of a loan that is not repaid by the borrower due to default, death, disability, bankruptcy, ineligibility, false certification, or school closure.

Our suggested lenders work with American Student Assistance (ASA) as their guarantee agency. ASA has a Voluntary Flexible Agreement (VFA) with the United States Department of Education that is centered on "wellness"—keeping student loan borrowers financially healthy and in good credit standing by proactively helping them manage their debt.

ASA works electronically so you can receive your loan proceeds as quickly as possible. Their electronic process includes an online application, application tracking system, and electronic funds transfer to the University. This is the quickest and safest way for loan proceeds to be delivered. To learn more about the Federal Family Education Loan program, please visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

## **Interest rates and fees**

The subsidized Stafford Loan interest rate is 5.6% for loans paid to your school after June 30, 2009 and 6.8% for unsubsidized Stafford Loans. The PLUS Loan interest rate is 8.5%. Keep in mind that according to federal guidelines all federal Stafford Loan lenders are required to charge you a .5% default fee and all federal PLUS Loan lenders a 1% default fee. Lenders are also required to charge an origination fee.

## **Sale of loans**

Some lenders may sell your loan to another private agency or the Department of Education. Check with your lender to find out if your loan could be sold.