

## STEPS TO RECEIVING A STAFFORD LOAN

1. Review your Financial Aid Award Notification Letter listing all the aid programs (grants, scholarships, loans, work-study) for which you have eligibility. The maximum amount that you are eligible to receive is listed by term. Award Notifications may include multiple terms in one academic year.
2. Determine the total amount you need to borrow for all terms included on the Notification. You may borrow any amount up to the maximum listed. To determine the amount you need to borrow, compare all aid amounts to your anticipated tuition and fee charges and other education-related expenses, such as transportation and books, which you may incur. Depending on the lender and guarantor, an origination and default fee may be deducted from your loan before it is disbursed. The net amount of the disbursement usually varies between 97% and 100% of the principal (gross) amount. You may want to factor in an allowance for this fee when determining the amount to request.
3. Complete the Loan Acceptance Form, which is the last page of your Award Notification Letter. Indicate the amount you want to borrow/accept on the line(s) provided. This is the amount for all terms covered by the Notification. The amount will be divided among your terms of enrollment as indicated on your award letter. Select your lender and return the Loan Acceptance Form to the Student Finance Office.
4. NLU will create an electronic loan application, certify the loan, and transmit the loan information electronically to your lender.
5. If this is your first Federal Stafford Loan,
  - o You must complete Stafford Loan Entrance Counseling before your loan funds can be disbursed. Entrance Counseling can be done online at <http://mappingyourfuture.org/se>. We will automatically be notified that you have completed counseling.
  - o If this is your first student loan, or you have changed lenders, you must complete a Stafford Loan Master Promissory Note (MPN). Your lender will send the MPN and/or information about completing the MPN online to your home address.
6. Most lenders disburse the funds to NLU through the National Disbursement Network (NDN). This is a two to three business day process. You will receive information from your lender regarding your loan. This information will include disbursement dates. Disbursement dates are generally the date that the lender begins the movement of funds. NLU will receive the funds via Electronic Funds Transfer (EFT).
7. When funds are received, NLU will review all eligibility requirements and then post the funds to your student account. If federal funds create a credit balance, NLU will refund the credit to you by check. Refund checks are generally processed within the same week, but always within 14 business days. Refund checks are sent by postal mail to your home address in our system. Make sure you update your address via your NLU portal (<http://my.nl.edu>) if you move.

## SELECTING A LENDER

Many banks, credit unions, schools, and other financial organizations participate as lenders in the Federal Family Education Loan Programs (FFELP). These programs include Stafford Loans, Parent PLUS Loans, and Grad PLUS Loans. It is your responsibility and right to select your student loan lender. You may choose any lender as long as they are participating in the Federal Family Education Loan program.

Students with an outstanding balance on a previous student loan may choose to retain their current lender or select a new lender. In general, we encourage students to use one lender for all student loans to avoid confusion in repayment. However, you may select a new lender if you have not been satisfied with the service you have received or prefer the options, services, and/or benefits of another lender. Please be advised that NLU does NOT participate in the William D. Ford Federal Direct Loan Program. If you have previously only received Direct Loans, you will need to select a new lender.

A number of lenders have recently decided to exit the Federal Loan program. The following lenders **no longer participate** in the Federal Loan program: **AES** (lender code = 828924), **AMS-Education Loan Trust** (833079) **Bank of America** (801871, 802176, 806746, 818334, 824421), **Bank One Finance Group c/o Great Lakes** (814321), **Bank One** (811925, 808857, 808732, 808037, 807807), **College Loan Corporation** (833733), **College Board Credit/TIAA** (830310), **Collegiate Funding Services** (834059), **Finansure** (834204), **Goal Financial** (834119), **LaSalle Bank** (812205) **Metrobank** (803238), **Municipal Trust Bank** (828562), **National Bank and Trust c/o Sallie Mae** (822206), **Next Student** (833954), **Oxford Bank and Trust** (824697), **Student Loan Express** (833908), **Student Loan Xpress** (834011), **TCF Bank c/o Great Lakes** (822135), and **TCF Bank** (829771). If you had a previous loan with any of these lenders, you must choose a different lender who still participates in the loan program.

Most financial institutions process student loans through a national center and do not provide local service for FFELP loans. Student loan limits, interest rates, and most repayment terms including deferments are controlled by federal regulation. However, lenders differ by service level, origination fees, repayment options, and incentives for timely payments.

We cannot review or provide information on the hundreds of FFELP lenders. The preferred lender list noted below was developed after surveying multiple lenders regarding information on their specific benefits and services via a Request for Information (RFI). The preferred lenders were selected based on providing superior customer service, access to full electronic processing, providing at least one option for electronic signature, the use of the National Disbursement Network to transmit funds, and the stability of the financial institution. We monitor the performance of these lenders and work directly with them to control the quality of your service and customize processing specific to our students and programs.

We monitor the customer service and performance of the lenders noted below, however, you are not required to select a lender on this list. You may choose any lender that participates in the FFELP Loan Program. If you opt to select a lender not on the preferred list, you must provide a lender code. All federal loan funds are offered with the same terms and conditions including a fixed interest rate. Valuable information about the financial aid process and federal programs can be found at [www.studentaid.ed.gov](http://www.studentaid.ed.gov). On this site, select Federal Student Aid Programs, then choose Stafford Loans for tips on selecting a lender and additional loan information.

As previously noted, **you are free to select any lender that participates in the FFELP Loan Program**. Please be advised that the financial aid staff cannot recommend specific lenders or choose a lender for you.

| Lender   | Lender Code | Borrower Benefits  |
|--|-------------|--|
| <a href="#">Citibank</a><br>800.967.2400<br><a href="http://www.studentloan.com">www.studentloan.com</a>                             | 826878      | <ul style="list-style-type: none"> <li>• 0.50% origination fee</li> <li>• 0.25% interest rate reduction for borrowers in auto-debit payment program</li> </ul> |
| <a href="#">Sallie Mae</a><br>800.824.7044<br><a href="http://www.salliemae.com">www.salliemae.com</a>                               | 802218      | <ul style="list-style-type: none"> <li>• 0.50% origination fee</li> <li>• 0.25% interest rate reduction for borrowers in auto-debit payment program</li> </ul> |
| <a href="#">Wells Fargo</a><br>800-658-3567<br><a href="https://www.wellsfargo.com/student/">https://www.wellsfargo.com/student/</a> | 807176      | <ul style="list-style-type: none"> <li>• 0.50% origination fee</li> </ul>  |

Please call us at (800)443-5522, ext. 5350 or email us at [studentfinance@nl.edu](mailto:studentfinance@nl.edu) if you need any assistance.

Student Finance Office