

**Texas Lutheran University
Office of Financial Aid
July 2007**

The Office of Financial Aid at Texas Lutheran University has chosen to work with lenders that use Sallie Mae Servicing and a USA Funds guarantee. This combination of loan servicer and guarantor allows TLU to provide superior customer service in loan processing to our students.

For the 2006-2007 academic year, our recommended lender was Sallie Mae Ed Trust. We added AMS, Nellie Mae, Student Loan Funding and Student Loan Finance to our recommended lender list for the Federal Stafford Loan program for the 2007-2008 academic year. We also added AMS, Student Loan Finance, Student Loan Funding and Southwest Student Services to the list of lenders that parents can choose from for the Parent PLUS loan. Both students and parents may also choose to borrow through 2Futuro which uses Sallie Mae Ed Trust as the lender and provides students and parents with a Spanish version of promissory notes and a Spanish first Web site for information about loans.

We chose our recommended lenders for various reasons. Some of these reasons are: competitive student benefits, low interest rates and quality customer service. With these lenders, all transactions are completed electronically, providing students with efficient processing of their loans. These lenders offer students the ability to make electronic payments, request deferments and forbearances online and have experienced customer service staff available to answer questions.

Our recommended lenders also provide services to our students while they are attending TLU. Some of these services are: seminars on loan consolidation, exit counseling, and software that allow students to electronically access missing information and award letters.

Students who wish to borrow through a lender not appearing on our recommended lender list may do so. We ask that students who wish to borrow through another lender to get a Master Promissory Note from that lender and send it to our office. These loans can take longer to process as we may not have an electronic process established with the lender.

On the Loans page of our Scholarships & Financial Aid Web page is a section titled "Choosing a Lender" which reads as follows:

Our students and parents often ask us to recommend a lender for their Federal Stafford or Parent PLUS loans. This link will show you some recommended lenders, their borrower benefits and an estimated amount of interest you can save if you choose to take advantage of some or all of the borrower benefits listed. We have also provided a link to each lender's Web site where you can obtain additional information about the lender. For your convenience, you may click Apply Now under each of the lenders to apply for the loan through that lender.

We recommend these lenders based on the quality of the products and services they provide to Texas Lutheran University and to our students and their parents. Which lender you choose is entirely up to you. If you wish to use a lender that is not listed, please exit from the page without applying and contact Texas Lutheran University at 830-372-8075.

Sallie Mae, our loan servicer, and our recommended lenders mentioned above abide by a strict code of ethics which exceed what is required by law. They recently agreed to make their code of ethics even stricter so that it removes any doubt about conflicts of interest between the Office of Financial Aid and the lenders we work with.

Our first priority when choosing lenders to recommend to TLU students are lenders that provide the best service in conjunction with competitive loan benefits. We will not recommend to our students lenders who propose to place TLU or its financial aid staff in a conflict of interest by providing personal benefits for encouraging families to choose one lender over another.

Congress is currently in the process of reviewing the rules regarding student loans. Some of the rules they are considering include how many lenders a school must have on the schools lender list. Once these new rules and regulations are in place, we will make any necessary changes.

At this time, no Office of Financial Aid staff member owns stock in any lender or servicer nor do they receive gifts or other compensation for recommending a lender to a student. We have always and will continue to abide by state and federal law regarding the administration of student loans.