



# RECOMMENDED ALTERNATIVE LOAN LENDER LIST



Lender/ Loan Name	Chase Select Private Student Loan	Citibank CitiAssist Loan	Citizens Bank TruFit Student Loan	Discover Alternative Loan	MEFA Student Alternative Loan	Sallie Mae Smart Option Loan	Wells Fargo Collegiate Loan
<b>Eligible borrower</b>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student - degree or certificate program</li> <li>Enrolled at least half-time</li> <li>U.S. citizen or permanent resident</li> <li>International student with a valid SSN and a qualified U.S. citizen or permanent resident co-signer</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student</li> <li>U.S. citizen or permanent resident</li> <li>International student with a valid SSN and a qualified U.S. citizen or permanent resident co-signer</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student - degree or certificate program</li> <li>Enrolled at least half-time</li> <li>U.S. citizen or permanent resident</li> <li>International student with a valid SSN and a qualified U.S. citizen or permanent resident co-signer</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student - degree granting program</li> <li>Enrolled at least half-time</li> <li>U.S. Citizen or permanent resident</li> <li>Less than ½ time with no in-school deferment</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate student - degree granting program at least half-time</li> <li>Student is primary borrower w/a credit-worthy co-borrower</li> <li>U.S. citizen or permanent resident</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student</li> <li>U.S. citizen or permanent resident</li> <li>International student with a valid SSN and a qualified U.S. citizen or permanent resident co-signer</li> </ul>	<ul style="list-style-type: none"> <li>Undergraduate or graduate student - degree or multi-course certificate program</li> <li>Enrolled at least half-time</li> <li>U.S. citizen or permanent resident</li> <li>International student with a valid SSN and a qualified U.S. citizen or permanent resident co-signer</li> </ul>
<b>Loan amounts</b>	<ul style="list-style-type: none"> <li>Minimum: \$1,001/yr</li> <li>Aggregate: <ul style="list-style-type: none"> <li>- Undergrad \$120,000</li> <li>- Graduate 180,000</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Aggregate: <ul style="list-style-type: none"> <li>- Undergrad \$120,000</li> <li>- Graduate 180,000</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Aggregate: \$120,000</li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Max: Cost of attendance less all financial aid</li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Max: Cost of attendance less all financial aid</li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Aggregate: \$200,000</li> </ul>	<ul style="list-style-type: none"> <li>Minimum: \$1,000/yr</li> <li>Aggregate: \$120,000</li> </ul>
<b>Interest rates</b>	<ul style="list-style-type: none"> <li>LIBOR +3.25% to</li> <li>LIBOR +9.25%</li> <li>Adjusted quarterly</li> </ul>	<ul style="list-style-type: none"> <li>LIBOR +3.25% to</li> <li>LIBOR +9.00%</li> <li>Adjusted quarterly</li> </ul>	<ul style="list-style-type: none"> <li>LIBOR +3.25% to</li> <li>LIBOR +9.25%</li> <li>Adjusted monthly</li> </ul>	<ul style="list-style-type: none"> <li>Prime +0.50% to</li> <li>Prime +6.25%</li> <li>Adjusted quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Fixed interest rate of 8.29%</li> </ul>	<ul style="list-style-type: none"> <li>LIBOR+2.00% to</li> <li>LIBOR+9.875%</li> <li>Adjusted monthly</li> </ul>	<ul style="list-style-type: none"> <li>Fixed rate option available</li> <li>Prime +0.25% to</li> <li>Prime +6.74%</li> <li>Adjusted monthly</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>4.0% with co-borrower</li> <li>7.0% with no co-borrower</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Past balance</b>	<ul style="list-style-type: none"> <li>Loan period started within the last 12 month period</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>180 days from end of loan period</li> </ul>	<ul style="list-style-type: none"> <li>180 days from end of loan period</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>180 days from end of loan period</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>
<b>Repayment</b>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>15 year repayment</li> <li>Repayment begins 6 months after graduation, less than half-time or leaving school</li> </ul>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>15 to 20 year repayment</li> <li>Repayment begins 6 months after graduation or leaving school</li> </ul>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>15 year repayment</li> <li>Repayment begins 6 months after graduation, less than half-time or leaving school</li> </ul>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>15 year repayment</li> <li>Repayment begins 6 months after graduation, less than half-time or leaving school</li> </ul>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>15 year repayment</li> <li>Repayment begins 6 months after graduation or less than half-time</li> </ul>	<ul style="list-style-type: none"> <li>Immediate repayment</li> <li>Interest only repayment</li> <li>Total deferment</li> <li>A new \$25/month fixed repayment option-new loans</li> <li>10 year repayment</li> <li>Repayment begins 6 months after graduation or leaving school</li> </ul>	<ul style="list-style-type: none"> <li>No payments required while in school</li> <li>15 year repayment</li> <li>Repayment begins 6 months after graduation, less than half-time or leaving school</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>0.25% interest rate reduction with auto debit payments (ACH)</li> <li>Co-signer release option available after any 36 consecutive, on-time payments (check w/lender)</li> </ul>	<ul style="list-style-type: none"> <li>0.25% interest rate reduction with auto debit payments (ACH)</li> <li>Co-signer release option available after the first initial 24 consecutive, on-time payments, (check w/lender)</li> </ul>	<ul style="list-style-type: none"> <li>0.50% interest rate reduction with auto debit from any Citizens Bank account or</li> <li>0.25% interest rate reduction from any other bank account (ACH)</li> <li>Co-signer release option available after the first initial 36 consecutive, on-time payments (check w/lender)</li> <li>Loan Forgiveness</li> </ul>	<ul style="list-style-type: none"> <li>0.25% interest rate reduction with auto debit payments (ACH)</li> <li>2.0% Graduation cash reward on principal balance upon graduation</li> </ul>	<ul style="list-style-type: none"> <li>Co-signer release option available after 48 consecutive, on-time payments for MEFA Student Alternative Loan Only (check w/lender)</li> </ul>	<ul style="list-style-type: none"> <li>0.25% interest rate reduction with auto debit payments (ACH)</li> <li>2.00% reward for on-time payments while in school and during separation</li> <li>Co-signer release option available after any 12 consecutive, on-time payments (check w/lender)</li> <li>Loan Forgiveness</li> </ul>	<ul style="list-style-type: none"> <li>0.25% interest rate reduction upon graduating</li> <li>0.25% interest rate reduction with auto debit payments (ACH)</li> <li>Co-signer release option available after the first initial 24 consecutive, on-time payments (check w/lender)</li> </ul>
<b>Servicer</b>	<ul style="list-style-type: none"> <li>Chase</li> </ul>	<ul style="list-style-type: none"> <li>Citibank, N.A.</li> </ul>	<ul style="list-style-type: none"> <li>Firstmark Services</li> </ul>	<ul style="list-style-type: none"> <li>Great Lakes</li> </ul>	<ul style="list-style-type: none"> <li>ACS</li> </ul>	<ul style="list-style-type: none"> <li>Sallie Mae</li> </ul>	<ul style="list-style-type: none"> <li>Wells Fargo</li> </ul>
<b>Contact Information</b>	<ul style="list-style-type: none"> <li>866.306.0868</li> <li>Mon - Fri 8:am to 9:pm EST</li> <li><a href="http://www.ChaseSelectLoans.com">www.ChaseSelectLoans.com</a></li> </ul>	<ul style="list-style-type: none"> <li>800.788.3368</li> <li>Mon - Fri 8:am to 11:pm EST</li> <li><a href="http://www.studentloan.com/privatstudentloans">www.studentloan.com/privatstudentloans</a></li> </ul>	<ul style="list-style-type: none"> <li>800.708.6684</li> <li>Mon - Fri 8:am to 8:pm EST</li> <li><a href="http://www.citizensbank.com/trufitstudentloan">www.citizensbank.com/trufitstudentloan</a></li> </ul>	<ul style="list-style-type: none"> <li>877.728.3030</li> <li>Mon - Fri 8:am to midnight EST</li> <li><a href="http://www.discoverstudentloans.com">www.discoverstudentloans.com</a></li> </ul>	<ul style="list-style-type: none"> <li>800.449.6332</li> <li>8:am - 8:pm EST</li> <li><a href="http://www.mefa.org/collegeloans">www.mefa.org/collegeloans</a></li> </ul>	<ul style="list-style-type: none"> <li>888.272.5543</li> <li>Mon - Thu 8:am to 9:pm EST</li> <li>Fri - 8:am to 8:pm EST</li> <li><a href="http://www.salliemae.com/merrimack">www.salliemae.com/merrimack</a></li> </ul>	<ul style="list-style-type: none"> <li>800.658.3567</li> <li>Mon - Fri 7:am to 8:pm CST</li> <li><a href="https://www.wellsfargo.com/student/loans/undergrad/collegiate">https://www.wellsfargo.com/student/loans/undergrad/collegiate</a></li> </ul>



## RECOMMENDED ALTERNATIVE LOAN LENDER LIST



**Alternative Education Loans**, also known as Private Educational Loans, help bridge the gap between the actual cost of education and the limited amount the government allows a student to borrow from the federal student loan programs.

**Eligibility for alternative loans is based on the credit score or FICO (Fair Isaac Corporation) score of the student and the co-signer.**

Alternative loans tend to cost more than the education loans offered by the federal government.

A private student loan is taken out by the student and the obligation to repay is the student's first.

Alternative student loans typically have **variable interest rates**, with the interest rate pegged to an index, such as **LIBOR** or **PRIME**, plus a margin.

The **LIBOR** index is the *London Interbank Offered Rate*. It is the interest rate one bank charges another bank. The rate is set by international banks.

The **PRIME** lending rate is the interest rate that commercial banks charge their most credit-worthy customers. It is usually 3 percentage points higher than the FED funds rate.

To compare LIBOR to PRIME please check the following url:

[http://www.finaid.org/loans/prime\\_libor.phtml](http://www.finaid.org/loans/prime_libor.phtml)

Historically, it is better to apply for a private student loan with a cosigner even if you could qualify for the loan on your own. Just applying with a cosigner usually results in a slightly lower rate as such loans are not as risky for the lender.

**Parents** of dependent students can take out the federal **Parent Loan for Undergraduate Students (PLUS)** for costs not already covered by the student's financial aid award package up to the full cost of attendance.

There is no cumulative limit. Since July 1, 2010, all new **PLUS** loans have been made through the William D. Ford Federal Direct Loan program (funds provided by the government).

Parent **PLUS** loans are the financial responsibility of the parents, not the student.

**PLUS** loans through the Direct Loan program have a fixed interest rate of 7.9%. This rate has been in effect since July 1, 2006. The 7.9% interest rate on the Direct **PLUS** loan is a lower interest rate than most Alternative Education Loan interest rates.

The **PLUS** loan charges loan fees of 4%, on the gross principal amount borrowed.

Parents have the option of immediate repayment or deferring the payments while the student is in school.

Note that since the interest on the **PLUS** loan is not subsidized, it continues to accrue while deferred and is capitalized when the loan enters repayment.

Eligibility for the **PLUS** loan depends on a modest credit check that determines whether the parent has an *adverse credit history*. An adverse credit history is defined as being 90 or more days late on any debt.

To apply for a Direct Parent **PLUS** Loan: [www.studentloans.gov](http://www.studentloans.gov)

**Starting in 2011-2012, the FAFSA will be required in order for the parent to apply for the Direct Parent PLUS loan.**

### CURRENT RATES as of June 8, 2011

Parent Loan	7.90%
LIBOR:	
1 Month	.19%
3 Month	.25%
PRIME	3.25%

**Merrimack College is committed to assisting students in achieving their educational goals.**

**We are Committed to Making a Merrimack Education Affordable.**

**This information has been provided by the individual lenders as of June 8, 2011. Changes to the information provided on this chart will be noted on the individual lenders' website. Refer to the lenders websites for updated loan information.**

## Merrimack College

Office of Financial Aid  
315 Turnpike Street  
North Andover, MA 01845

p: 978.837.5186  
f: 978.837.5067

[financialaid@merrimack.edu](mailto:financialaid@merrimack.edu)

### Financial Aid Directory

Christine A. Mordach,  
*Director of Financial Aid  
& Scholarships*  
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Paula Gagnon  
*Assistant Director*  
p: 978-837-5164

Linda Cimmino  
*Loan Officer*  
p: 978-837-5112

Lee White  
*Administrative Assistant*  
p: 978-837-5186

Summer hours thru August 12, 2011

Monday thru Thursday:  
8:30 a.m. to 4:30 p.m., EST

Academic year Office hours

Monday thru Friday:  
8:30 a.m. to 4:30 p.m., EST