



## **Selection Process for Graduate School of Business (GSB) Recommended Lenders**

Federal Stafford or PLUS loan borrowers may choose any lender that participates in the Federal Family Education Loan program. The basic terms of the loans (maximum interest rate, maximum fees, deferment options) are set by the federal government. However, many lenders offer special benefits to borrowers. The GSB Financial Aid Office encourages you to compare the benefits offered by different lenders so that you can make an informed choice.

To make the selection process easier, the GSB Financial Aid Office has identified a group of five participating lenders on our recommended lenders list. If you select a lender from this list, you can be assured that you will receive outstanding borrower benefits and customer service. In creating this list, we have considered several factors:

- **Pricing** -- Our recommended lenders offer competitive rates and benefits such as no origination fees for Stafford loans, interest rate reductions for borrowers who sign up for electronic payments, and principal reductions for borrowers who make a certain number of consecutive, on-time payments. We monitor changes in benefits offered by each lender to make sure that our recommended lenders offer the best benefits available to borrowers.
- **Service** – Our office has done the research to make sure that our recommended lenders provide state of the art websites and helpful phone representatives that can assist borrowers to make informed decisions. In the selection process of our recommended lenders, we have taken into consideration the feedback from our students regarding their expectation of service. If a particular lender generates complaints, we will strongly consider removing them from our list. These lenders have all agreed to work within Stanford's processing system and can insure quick turnaround time.
- **Process and Technology** – Our recommended lenders work with Stanford University's own system to send and receive loan funds, which helps create timely disbursements and avoid confusion. Our office is able to certify loans electronically, and disburse loan funds to the student's account quickly using Electronic Funds Transfer (EFT). Lender websites provide our students the convenience to electronically sign master promissory notes for their loans, download forms for deferment and forbearance, as well as review payment progress and the ability to update their address on-line.

Our list of recommended lenders is reviewed and updated every two to three years based on the criteria listed above. The GSB Financial Aid Office does not receive, and will not accept, inducements from lenders in exchange for inclusion in the recommended lender list.

Stanford GSB does not share in the profits from student loans. Borrowers are welcome to choose any lender, regardless of whether it appears on our recommended lender list.

If you would like to provide feedback on our recommended lender list, we welcome you to contact us. You can send an email message to [finaid@gsb.stanford.edu](mailto:finaid@gsb.stanford.edu), call us at (650)723-3282, or stop by our office at 518 Memorial Way, S100, Stanford, CA 94305.