

Attachment A to RFI from Niagara University

I. Competitive Loan Offerings

A. Federal Stafford Loan Program (Undergraduate)

Preferred Lender Code
Origination/Guarantee fee coverage (0-2.5%)

Loan Consolidation Benefits
Description of Borrower Benefits (up front and repayment)

Average savings for student assuming they borrow a \$3500
Subsidized Stafford Loan year 1, \$4500 year 2, and \$5500 each years 3 and 4.

B. Federal Parent PLUS Loan Program

Preferred Lender Code
Origination/Guarantor fee coverage (0 - 4%)

Loan Consolidation Benefits
Deferment option during school enrollment

Chase Responses

803000

The 1.00% federal default fee will be waived and Chase will pay the origination fee on behalf of Federal Stafford borrowers attending Niagara University for the 2008-2009 award year ending June 30, 2009. Chase will provide the origination and repayment servicing directly, utilizing NYHESC as recommended guarantor for Federal Stafford loan borrowers attending Niagara University. Chase and NYHESC together can offer the most competitive monetary and debt management educational benefits to Niagara students.

Chase does not offer benefits on Federal Consolidation Loans

In addition to zero fees, origination and default, Chase Niagara University Stafford loan borrowers will benefit from:

A 0.10% interest rate reduction at repayment awarded to 100% of Niagara University Chase Stafford loan borrowers whose loans are originated and serviced internally by Chase under Chase Lender ID 803000. The 0.10% interest rate reduction will not lower the monthly payment amount, but will reduce the interest that accrues, thereby reducing the total amount repaid. This interest rate reduction cannot be lost unless the loan is paid in full through consolidation or the borrower defaults.

Additional Assumptions:

- 120 month repay, 51 month deferral
- AY 08-09 rate = 6.00%, O.fee=1.00%
AY 09-10 rate = 5.60%, O.fee=0.50%
AY 10-11 rate = 4.50%, O.fee=0.00%
AY 11-12 rate = 3.40%, O.fee=0.00%

Savings:	Fees waived	\$248
	<u>Interest Savings</u>	<u>\$129</u>
	Total Savings	\$377
	Total Repayment	\$23,376

803000

The 1.00% federal default fee will be waived for Niagara University Chase PLUS loan borrowers for the 2008-2009 award year ending June 30, 2009.

Lenders are required by law to charge a federally mandated origination fee to Federal PLUS borrowers. That origination fee is currently 3%.

Chase does not offer benefits on Federal Consolidation Loans

Delayed payments while child in school. Must be requested annually through Borrower Services. Interest can be capitalized at end of forbearance period. No maximum on years available, as long as child is in school.

Description of Borrower Benefits (up front and repayment)

In addition to the federal default fee waiver, Chase Niagara University PLUS borrowers benefit from:

A 0.10% interest rate reduction at repayment awarded to 100% of Niagara University Chase PLUS loan borrowers whose loans are originated and serviced internally by Chase under Chase Lender ID 803000. The 0.10% interest rate reduction will not lower the monthly payment amount, but will reduce the interest that accrues, thereby reducing the total amount repaid. This interest rate reduction cannot be lost unless the loan is paid in full through consolidation or the borrower defaults.

Average savings for parent assuming they borrow a \$10,000 for year one.

Additional Assumptions: 1. Immediate repay, 2 disbursements with 6 month deferral
2. Interest rate = 8.50%

Savings: Fees waived \$100
Interest Savings \$103
Total Savings \$203
Total Repayment \$15,197

C. Federal Stafford Loan Program (Graduate/Professional)

Preferred Lender Code
Origination/Guarantor fee coverage (0 - 2.5%)

803000
The 1.00% federal default fee will be waived and Chase will pay the origination fee on behalf of Federal Stafford borrowers attending Niagara University for the 2008-2009 award year ending June 30, 2009. Chase will provide the origination and repayment servicing directly, utilizing NYHESC as recommended guarantor for Federal Stafford loan borrowers attending Niagara University. Chase and NYHESC together can offer the most competitive monetary and debt management educational benefits to Niagara students.

Loan Consolidation Benefits
Description of Borrower Benefits (up front and repayment)

Chase does not offer benefits on Federal Consolidation Loans
In addition to zero fees, origination and default, Chase Niagara University Stafford loan borrowers will benefit from:

A 0.10% interest rate reduction at repayment awarded to 100% of Niagara University Chase Stafford loan borrowers whose loans are originated and serviced internally by Chase under Chase Lender ID 803000. The 0.10% interest rate reduction will not lower the monthly payment amount, but will reduce the interest that accrues, thereby reducing the total amount repaid. This interest rate reduction cannot be lost unless the loan is paid in full through consolidation or the borrower defaults.

Average savings for student assuming they borrow \$8500 Subsidized Stafford and \$12,000 Unsubsidized Stafford Loan for one year.

Additional Assumptions: 1. 120 month repay, 15 month deferral
2. Interest rate = 6.80%

Savings: Fees waived \$410
Interest Savings \$186
Total Savings \$596
Total Repayment \$29,344

D. Federal Grad PLUS Loan Program

Preferred Lender Code
Origination/Guarantee fee coverage (0 - 4%)

803000
The 1.00% federal default fee will be waived for Niagara University Chase Grad PLUS loan borrowers for the 2008-2009 award year ending June 30, 2009.

Loan Consolidation Benefits
Deferment option during school enrollment

Lenders are required by law to charge a federally mandated origination fee to Federal PLUS borrowers. That origination fee is currently 3%.
Chase does not offer benefits on Federal Consolidation Loans
Borrowers can defer payments while they are enrolled at least half time.

Average savings for student assuming they borrow \$10,000 for one year.

Additional Assumptions: 1. Immediate repay, 2 disbursements with 6 month deferral
2. Interest rate = 8.50%

Savings:	Fees waived	\$100
	<u>Interest Savings</u>	<u>\$103</u>
	Total Savings	\$203
	Total Repayment	<15,107

Important Information

For loans that have a first disbursement date between December 1, 2007 and June 30, 2009, Chase will pay on behalf of the borrower: (1) all federally mandated Origination Fees for Stafford Loans; and (2) all federally mandated Default Fees, which are not paid by the guarantor on behalf of the borrower, for Stafford, PLUS and Grad-PLUS Loans. In addition, if such loans are originated and serviced directly by Chase under federal Lender Code 803000, 834059, or 821087, the borrower will receive a 0.10% interest rate reduction that will be applied automatically at the time the loan enters repayment and will remain in place for the remainder of the loan term or until default or loan consolidation. The 0.10% interest rate reduction will not lower the monthly payment amount, but will reduce the interest that accrues, thereby reducing the total amount repaid and the time in which the loan is repaid.

Chase currently holds and does not sell its Stafford, PLUS and Grad PLUS loans made under these Lender Codes. Terms and conditions apply. Benefit programs are subject to change. Loans are subject to submission of a completed application and other required documentation and verification. © 2008 JPMorgan Chase & Co. All rights reserved.

The borrower benefits reflected in this proposal response are offered to Chase FFELP loan borrowers attending Niagara University generally for the stated Academic Year and are not contingent upon Chase being selected for placement on Niagara University's preferred lender list. Nothing herein shall be construed as an agreement on the part of Chase to make loans available to or on behalf of Niagara University students and Chase retains complete authority and discretion with regard to whether to provide such loans.

E. Private loans

1. Undergraduate

Loan limits

Annual

Aggregate

Length of repayment

Interest Rate with and without co-borrower

Fixed or Variable Interest rate

Based on Prime Interest rate or Libor

Up-front or back-end fees with and without a co-borrower

Average approval rate with and without a co-borrower

Co-borrower release option

Borrowing for prior academic year

Grace period

Deferment of interest during school

Chase Select Loan

Annual minimum- \$500

Annual maximum- Cost of attendance (COA)less other aid

Aggregate maximum- \$120,000[†]

[†]Includes all student loan debt

Students have a 20-year term for loan amounts up to \$30,000, and up to 25-year term for loan amounts of \$30,000 or more.

Chase Select Interest Rate for the 2008-2009 Academic Year

Student Only		Student with a Cosigner	
Borrower Level	Interest Rate	Borrower Level	Interest Rate
1	Prime – 0.50%	1	Prime – 1.00%
2	Prime + 0.00%	2	Prime – 0.50%
3	Prime + 1.50%	3	Prime + 1.00%
4	Prime + 3.00%	4	Prime + 2.50%
5	Prime + 4.50%	5	Prime + 4.00%
6	Prime + 6.00%	6	Prime + 5.50%

Variable

Prime Rate

0% fees are assessed to the Chase SelectSM private loan

The Chase Select private loan has a national approval rate of 67% (75% with a cosigner and 62% without a cosigner).

Yes, there is a cosigner release option. The borrower must make 36 consecutive monthly on-time payments of principal and interest at any time after repayment begins. The cosigner release must be requested by the borrower, and the borrower must pass underwriting requirements at the time of the request.

The loan is not refinanced and no rate change takes effect when cosigner is released.

Yes, students may borrow funds to pay past due balances. This balance must reside at the school and not a collection agency, and may not include balances older than 12 months from the application date. An invoice or loan statement less than 60 days old must be provided. A student does not need to be currently enrolled to apply for funds to pay off past due balances.

There is a 6-month grace period for undergraduate students.

Yes, payment is deferred while the student is enrolled in school. Students must be enrolled at least half time to qualify for this deferment.

When does repayment begin

If borrowers choose to fully defer their loan (principal and interest) while in school, they will have up to a maximum of 4½ years from the date of the first disbursement of the loan (including the 6 month grace period) before repayment begins. Fifth-year undergraduate students may request an additional 12-month deferment but must provide acceptable proof of enrollment such as a letter, bill, receipt, or class schedule with the student's and school's name for the applicable term

Repayment Benefits

Borrowers will receive a 0.25% interest rate reduction for having principal and interest payments automatically debited from a checking or savings account (ACH).

Consolidation Programs

Combined billing of both federal and private loans serviced by Chase.
A private consolidation loan is not currently available but such a program is in development.

2. Graduate and Professional

Loan limits

Annual

Annual minimum- \$500

Annual maximum- COA less other aid

Aggregate

Aggregate maximum- \$180,000†

Length of repayment

†Includes all student loan debt
Students have a 20-year term for loan amounts up to \$30,000, and up to 25-year term for loan amounts of \$30,000 or more.

Interest Rate with and without co-borrower

Chase Select Interest Rate for the 2008-2009 Academic Year

Student Only		Student with a Cosigner	
Borrower Level	Interest Rate	Borrower Level	Interest Rate
1	Prime – 0.50%	1	Prime – 1.00%
2	Prime + 0.00%	2	Prime – 0.50%
3	Prime + 1.50%	3	Prime + 1.00%
4	Prime + 3.00%	4	Prime + 2.50%
5	Prime + 4.50%	5	Prime + 4.00%
6	Prime + 6.00%	6	Prime + 5.50%

Fixed or Variable Interest rate

Variable

Based on Prime Interest rate or Libor

Prime Rate

Up-front or back-end fees with and without a co-borrower

0% fees are assessed to the Chase SelectSM private loan

Average approval rate with and without a co-borrower

The Chase Select private loan has a national approval rate of 67% (75% with a cosigner and 62% without a cosigner).

Co-borrower release option

Yes, there is a cosigner release option. The borrower must make 36 consecutive monthly on-time payments of principal and interest at any time after repayment begins. The cosigner release must be requested by the borrower, and the borrower must pass underwriting requirements at the time of the request.

The loan is not refinanced and no rate change takes effect when cosigner is released.

Borrowing for prior academic year	Yes, students may borrow funds to pay past due balances. This balance must reside at the school and not a collection agency, and may not include balances older than 12 months from the application date. An invoice or loan statement less than 60 days old must be provided. A student does not need to be currently enrolled to apply for funds to pay off past due balances.
Grace period	There is a 6-month grace period for graduate students.
Deferment of interest during school	Yes, payment is deferred while the student is enrolled in school. Students must be enrolled at least half time to qualify for this deferment.
When does repayment begin	If borrowers choose to fully defer their loan (principal and interest) while in school, they will have up to a maximum of 4½ years from the date of the first disbursement of the loan (including the 6 month grace period) before repayment begins. Fifth-year undergraduate students may request an additional 12-month deferment but must provide acceptable proof of enrollment such as a letter, bill, receipt, or class schedule with the student's and school's name for the applicable term
Repayment Benefits	Borrowers will receive a 0.25% interest rate reduction for having principal and interest payments automatically debited from a checking or savings account (ACH).
Consolidation Programs	Combined billing of both federal and private loans serviced by Chase. A private consolidation loan is not currently available but such a program is in development.

Important Information:

The borrower benefits reflected in this proposal response are offered to Chase FFELP loan borrowers attending the Niagara University generally for the stated Academic Year and are not contingent upon Chase being selected for placement on the Niagara University's preferred lender list. Nothing herein shall be construed as an agreement on the part of Chase to make loans available to or on behalf of the Niagara University students and Chase retains complete authority and discretion with regard to whether to provide such loans.

Chase does not offer any International Loans. However, international students may apply for the Chase Select loan as long as their cosigner is a U.S. citizen or permanent resident and must be able to provide appropriate documentation. (Refer to Section I (E.1, E.2))

F. International Loan Offerings

1. Undergraduate

- General approval Requirements of borrowers
- Loan Limits
 - Annual
 - Aggregate
- Length of repayment
- Interest Rate with US co-borrower
 - w/o co- borrower
- Fixed or Variable Interest rate
- Up-front or back-end fees with US co-borrower
 - w/o co-borrower
- Average approval rate with and w/o co-borrower
- Grace Period
- Deferment of interest during school
- When does repayment begin
- Repayment Benefits
- Consolidation Programs

2. Graduate and Professional

- General approval Requirements of borrowers
- Loan Limits
 - Annual
 - Aggregate
- Length of repayment
- Interest Rate with US co-borrower
 - w/o co- borrower
- Fixed or Variable Interest rate
- Up-front or back-end fees with US co-borrower
 - w/o co-borrower
- Average approval rate with and w/o co-borrower
- Grace Period
- Deferment of interest during school
- When does repayment begin
- Repayment Benefits
- Consolidation Programs

II. Customer Service

A. Minimum Standards of Service to the University

Loan Certification, disbursements and changes processed through HESC

Yes, Chase can process certifications and changes through HESC and can disburse funds via HESC Escrow and EFT Express.

One point of contact for daily processing resolution

Yes, School Support representatives are available to help resolve daily processing issues.

Phone calls returned and issues resolved within 24 hours

The majority of questions received by Chase are resolved within one business day. However, Customer Service Representatives will escalate inquiries that require extensive research or cannot be resolved within the predetermined timeframe for the type of inquiry received.

Provide periodic surveys of customer satisfaction

Chase is currently in the process of creating an on-going customer service assessment. This survey is scheduled to be administered monthly starting in the first quarter of 2008. The survey will be sent to all borrowers that have contacted Chase's originations or customer service areas. Since the survey assessment is not yet finalized, we cannot provide results at this time.

B. Minimum Standards of Customer Service to Borrowers

One contact person/group for Niagara University Borrowers

Yes, a designated team of Customer Service representatives are available to help borrowers and can be reached by calling 877-968-7331.

Life of loan servicing for all loans including consolidation loans

Yes, Chase offers life-of-loan servicing

Phone calls returned and issues resolved within 24 hours

The majority of questions received by Chase are resolved within one business day. However, Customer Service Representatives will escalate inquiries that require extensive research or cannot be resolved within the predetermined timeframe for the type of inquiry received.

Phone call hold time 2 minutes or less

Yes, average wait time is 20 seconds.

III. Default Prevention Standards

Describe your default aversion practices

Chase has worked diligently to create a top-tier origination and servicing platform. Chase's loan servicing organization takes pride in going above and beyond the federal standards set forth by the Department of Education (see response to question 6 of NU's RFI). Our goal is to keep in close contact with students to prevent default, and educate them about their many repayment options.

Describe standard Collection processes

Chase's student loan servicing organization:

- has a separate Collections Team to provide additional focus to delinquent accounts;
- has a separate Default Prevention and Assistance Department that provides 8 additional telephone attempts and 4 additional letters than required by Department of Education;
- has an extremely low denied claim rate—0.01% of claims filed;
- educates students on available deferment and forbearance options;
- utilizes the most effective tools available to contact borrowers, including directory assistance, contacting references, co-borrowers, and employers; and
- offers a “Promise to Pay” follow-up service.

Describe any default-management programs you offer

Default Management

Chase provides a number of additional opportunities to assist student loan borrowers and reduce default. Borrowers can:

- Make payments
- Download deferment and forbearance forms
- Access their account online

Chase customer service representatives can:

- Provide information to borrowers by phone on payments and balances
- Offer verbal deferments and forbearance
- Establish special payment arrangements

We are currently in the development stage of creating even more robust and comprehensive default aversion and financial literacy programs for 2008. These programs will incorporate:

- Additional standard collection activities
- Special mailers
- The use of e-mail to communicate with borrowers

We will communicate these programs with you as soon as they are developed.