

# Graduate Leverage Partnership Program



# Corporate Overview

Graduate Leverage (GL) developed its educational debt management service in 2003 after recognizing that college student debt was reaching precarious levels. During a field study at Harvard Business School, the GL team analyzed the student loan industry and recognized a heightened sensitivity to questions involving debt management issues facing students. Escalating tuition costs, coupled with cutbacks in governmental financial support, combined for dangerously high debt-to-income levels for graduates of even the top professional fields.

As the study progressed, team members from Wharton, UC Irvine, and Boston College came onboard. In consultation with experts in the financial field, the entire team developed a web information resource for managing student debt which covered debt refinancing, restructuring, and forgiveness. Initially targeted toward debt relief for graduates entering the non-profit arena, this web-resource evolved into a full-service student debt management service with a Flash information presentation, student loan recommendations, and an overview of the entire student loan consolidation process for recent grads of schools across the nation.

Today GL works with the nation's top financial aid offices and student body organizations to communicate an unbiased message on debt management. Through the use of on-campus presentations, interactive media, and one-on-one counseling, the team has helped graduates more effectively manage their debt.

In January, 2007 Graduate Leverage introduced Collegiate Leverage (CL), a division of Graduate Leverage, which was created to help undergraduate students reduce and better manage their student loan debt.

Graduate Leverage works as an intermediary and debt advisor on behalf of over 35,000 students. Collectively, GL and CL comprise the fastest growing student lending organization in the country. They provide students and parents with a free advisory service that enables them to conduct debt management analysis in order to select the best loan options available.

## Loan Products

Students and parents are often unable to identify the best possible loan offering among a preferred lender list recommended by their school. This is why lender selection is so critical to borrowers:

- Different lenders offer different benefits that can reduce the cost of the loan
- Borrowers often have difficulty choosing the best loan program because the following terms are NOT standardized among lenders:
  - » Origination fees
  - » Front end rate reductions
  - » Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments) Back end rate reductions (often require on-time payments)
  - » Rebates

The Graduate Leverage Loan Program utilizes a lender participatory model which will result in:

- Superior terms and lowest cost to borrowers
- The lowest possible market rate for your members student loans and consistent service for members while in school and during their repayment period
- Servicer, guarantor, loan terms, and borrower benefits which are legally secured for the life of the loan

- All information about the borrower benefit that is properly disclosed
- Convertible Benefits: No single program is the best option for all students (front-end vs. back-end benefits)

Graduate Leverage will offer your members access to its debt advisory service, proprietary analytics, and a selection of six student loan solutions that are “best in class” to better serve your members:

1. Stafford Loans – Government guaranteed loans that are offered directly to students
2. Parent PLUS Loans – Offered to parents as an affordable education loan to finance up to 100% of their dependent undergraduate’s education.
3. Graduate PLUS Loans – As part of the Deficit Reduction Act of 2005, a new Graduate PLUS Loan Program is now offered to help pay for graduate and professional school education.
4. Private Loans – Used for college expenses that exceed amounts provided by the borrowers’ federal loans.
5. Federal Consolidation Loans – Used when loan consolidation is a viable option for graduating students.
6. Private Consolidation Loans – Members may consolidate private education related loans that are not eligible for consolidation under federal consolidation programs.

## Marketing

Graduate Leverage will work with your association to develop a marketing plan to ensure your members of our market leading student loan products. Graduate Leverage will create and develop the following marketing programs to best serve your members’ needs and to increase revenue for your association:

### Debt Management Seminars

- Introduces the importance of lender selection and how to evaluate benefits
- Discusses the importance of understanding the true cost of debt
- Defines the Federal Loan Consolidation Program
- Presents regulatory updates in the student loan industry

### On-Line Resources

- Debt Dashboard (see following example) provides students with a summary of their federal student loan and expected costs
- Provides analytical tools to evaluate lowest financing options
- Provides personalized assistance with loan selection based on members’ needs

### Web Page

- Provides a co-branded link to be used on your web site discussing Graduate Leverage’s student loan solutions
- Includes an on-line application

### Direct Mail

- The mail package will announce the partnership between your organization and Graduate Leverage and will describe the student loan product and program benefits
- Customization includes the logo, a toll free number, a unique web address and a signature from your association

### E-mail Updates

- E-mail articles will be provided to your association about the higher education regulatory environment, prudent debt management strategies, and student lending solutions
- Upon request, GL will provide personalized recommendations to each member
- Updates can also be made available for publication in association newsletters or any other member publications

# The Debt Dashboard

Graduate Leverage | An Educational Student Debt Advisory Service - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://www.graduateleverage.com> Go

## My Lender Portfolio

**My Loans** as of August 2006

Type	Lender	Balance	Rate	Term	Effective APR	Payment	Payment Due	Expected Cost
Stafford	William Ford Direct	\$16,000.00	2.875%	25	4.95%	\$485.00	10/15/2006	\$21,573.58
Graduate PLUS	GCO-ELF	\$20,000.00	6.8%	25	5.75%	\$135.00	10/21/2006	\$28,491.32
Stafford (sub)	Washington Mutual	\$8,500.00	6.8%	25	5.82%	\$62.50	N/A	\$12,309.14
Stafford (un-sub)	Washington Mutual	\$10,000.00	6.54%	25	5.62%	\$87.25	N/A	\$14,930.57
Private	Citibank	\$36,500.00	7.75%	10	8.25%	\$720.00	9/28/2006	\$46,124.82

**My Profile**

Mary, we have used the following metrics to determine the lowest cost financing for you:

<b>School:</b> Columbia School of Law <b>Current Year:</b> Entering Second Year <b>Expected Graduation Date:</b> May 2008 <b>Expected Field of Practice:</b> Business Law & Financial Services	<b>Credit Score:</b> 712 <b>Expected Repayment term:</b> 6 Years <b>Expected Mortgage Obligation:</b> \$272,000.00
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Based on our qualitative analysis the following loan options offer you the lowest cost of financing:

Type	Lender	Balance	Rate	Fee	Term	Effective APR	Payment	Expected Cost
Graduate PLUS	Lender A	\$20,000.00	6.8%	No (Refunded)	25	5.75%	\$155.00	\$24,762.49
Stafford	Lender B	\$15,000.00	6.8%	Yes	25	5.75%	\$110.00	\$17,824.41

**Total Savings Vs. Your Current Lenders: \$6,245.00**

**Debt Management Analysis**

Mary, to further customize your personal Debt Management Analysis, please enter the below data to determine your financially targeted borrowing plan.

<b>Incremental Monthly Payment:</b> <input type="text"/> \$	<b>Projected Net Worth at 35 y.o.:</b> \$280,450.00 <b>Projected Payoff Date:</b> July, 2016
<b>Borrowed Amount:</b> <input type="text"/> \$	
<b>Expected Place of Residence:</b> <input type="text" value="New York, New York"/>	
<b>Expected Field of Practice:</b> <input type="text" value="Corporate Law"/>	

**Compare Lenders:**

<input type="checkbox"/> Total Higher Education	<input type="checkbox"/> GCO-ELF	<input type="checkbox"/> Bank of America
<input type="checkbox"/> Direct Loans	<input checked="" type="checkbox"/> Sallie Mae	<input type="checkbox"/> JPMorgan Chase
<input type="checkbox"/> MOHELA	<input checked="" type="checkbox"/> Citibank Student Loans	<input type="checkbox"/> US Bank
<input type="checkbox"/> Wachovia	<input type="checkbox"/> The Access Group	<input type="checkbox"/> PNC
<input type="checkbox"/> Wells Fargo	<input type="checkbox"/> Key Bank	<input checked="" type="checkbox"/> Suntrust

[Compare These Lenders](#)

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# Benefits to Your Organization

The Graduate Leverage Partnership Program offers your association the opportunity to combat the challenge of generating revenue. Through the Graduate Leverage Partnership Program your organization can earn significant residual revenue. Utilizing our unique, borrower focused marketing philosophy, our Partnership Program will increase revenue for your association by offering your members the “best-in-class” student loan solutions. Graduate Leverage has created an unparalleled revenue structure for our Partners and there is no limit on the amount your association can earn through this partnership. The Graduate Leverage program will allow your association to choose between two revenue structures:

- Graduate Leverage can pay your association a percentage of the loan balance
- Graduate Leverage can pay your association a fee for every funded loan

## Summary

The Graduate Leverage Partnership Program will assist your members with all of their student loan needs. GL will offer your members market leading loan products and help analyze the myriad of borrower benefit programs.

As one of the fastest growing student loan companies, GL is dedicated to helping both your graduates and undergraduates manage their education loan payments and assist them in the decision making process. Here are some of the benefits that Graduate Leverage brings to your organization:

- Debt management seminars to meet your members and address their financial situations
- Market leading student loan products with an unparallel revenue structure for your association
- Debt Dashboard providing students with a summary of their federal student loans and expected costs
- Toll Free number dedicated exclusively to your members
- Customized web pages for your website
- Provide debt management support through continued monitoring of your students’ loan portfolios to ensure greatest cost savings.
- Dedicated and experienced loan counselors to help your members make smart financial decisions

For more information about partnership opportunities with Graduate Leverage, please contact **Bill Richins** at 302-234-4693 or [brichins@graduateleverage.com](mailto:brichins@graduateleverage.com).