



SUNY Fredonia
Preferred Lender Request for Information (RFI) – Citi Response¹
April 2009

Lender Name: Citibank, N.A.

Account Executive Name: Laura Worley

Account Executive Contact info:

SUNY Fredonia students and families can contact Citi Customer Service Associates by phone, Monday through Friday 8 a.m. to 11 p.m. ET at (800) STUDENT. Customer Service Associates can provide the expertise you need throughout the entire life of the loan process.

Guarantor:

1. Do you have the capability to have your loans guaranteed through NYSHESC?

Yes, Citi loans can be guaranteed through NYSHESC.

2. Do you have the capability to transfer funds via NYSHESC EFT/Escrow?

Yes. Citi has the capability to transfer FFELP loan funds via NYSHESC EFT/Escrow.

Service:

1. Is service a high priority to you as a lender?

Yes, Citi prides itself in providing the highest level of customer service support, for both schools and students.

In November 2003, The Student Loan Corporation (“SLC”), a subsidiary of Citibank, was named the first Exceptional Performer by the U.S. Department of Education.

The Secretary of Education created the Exceptional Performer designation in 1992 to recognize and reward lenders for maintaining an exceptional level of performance in servicing Federal Family Education Loan Program (“FFELP”) loans. To qualify as an Exceptional Performer, lenders must maintain a 97% threshold of compliance to Federal loan servicing and due diligence requirements. SLC achieved an overall compliance performance that exceeded 99%, as verified by independent auditors, KPMG. The fact that our compliance exceeded the Department of

¹ For purposes of this document, “Citi” and “Citibank” includes Citibank, N.A., its subsidiary The Student Loan Corporation, and certain other Citibank affiliates who perform various discrete servicing functions. Federal loans are originated and held by Citibank, N.A. as trustee for The Student Loan Corporation. Private student loans are originated by Citibank, N.A. and assigned to The Student Loan Corporation.

Education's threshold by more than two percentage points demonstrates to our customers and schools that we have an unwavering commitment to excellence.

SLC's tenure as Exceptional Performer ran from November 2003 through the program's termination in late 2007.

2. Do you service your own loans

As a general rule, Citibank services its loans for the life of the loan. However, if Citibank elects to sell FFELP Loans to the U.S. Department of Education (the "Department") under the programs authorized by the Ensuring Continued Access to Student Loans Act, the Department has the ability to change the servicer of the loans.

If not, who services your loans?

See above.

3. Do you hold or sell loans after origination?

As a general rule, we hold and service Citi student loans for the life of the loan. On occasion, we sell loans to a trust in a securitization transaction or to an unaffiliated third party. In securitization transactions we continue to service such loans and the borrower will continue to receive the borrower benefits associated with such loans. In sales to unaffiliated third parties, we may include (1) loans which we serviced, (2) loans which were serviced by third parties, or (3) loans which have defaulted. We may continue to service such loans or we may transfer servicing to an unaffiliated third party. In the first and second instances, we would require the purchaser of the loans to agree to continue to provide the borrower benefits associated with such loans. In the third instance, a borrower who has defaulted on a loan is no longer eligible to receive borrower benefits. In the event that a borrower elects to consolidate his or her student loans, the borrower benefits associated with such student loans generally will change.

As you are probably aware, the Ensuring Continued Access to Student Loans Act of 2008 ("ECASLA") was enacted this past May to address the lack of liquidity in the financial markets. Pursuant to ECASLA and subsequent amendments, the US Department of Education (the "Department") has established a Loan Purchase Program (the "Purchase Program") and Loan Participation Program (the "Participation Program") to cover qualifying Stafford and PLUS Loans originated for the 2008 / 2009 and 2009 / 2010 academic years. We currently expect to participate in both the Participation and Purchase Program. Under the terms of the Purchase Program, the Department retains the right to determine where the loans they purchase will be serviced. The borrower benefits associated with a loan would not change as a result of any sale of loans to the Department's under the Purchase Program.

If held, for how long?

See above.

If sold, at what point after origination?

We do not generally sell loans until they are fully disbursed. Under the Department's Purchase Program, loans may not be sold until they are fully disbursed.

4. Do you have a 24/7 service option for both borrowers in school and in repayment?

Yes, Citi provides phone information and web services twenty-four hours a day, seven days a week.

Voice Response Unit – Borrowers have the ability to call by phone and receive information regarding loan applications, account status and payment information

Studentloan.com – Provides borrowers with an array of online services, including apply and sign online, information on college planning and loan options, account access online, pay online, and repayment features

If not, what is the availability to borrowers?

Not applicable.

5. Do you have an assigned customer service representative to each school or region? If so, please provide this contact individual and phone number:

SUNY Fredonia students and families can contact Citi Customer Service Associates by phone, Monday through Friday 8 a.m. to 11 p.m. ET at (800) 967-2400 or via email at student.loans@citi.com. Customer Service Associates can provide the expertise you need throughout the entire life of the loan process.

6. Are you an ELM member?

Yes, Citi is a member of ELM Resources, a not-for-profit, mutual benefit corporation. We are a founding member of ELM and have been an ELM lender partner for the past 14 years.

Stafford Loan Benefits:

1. Do you offer zero fees to undergraduate students? If you are planning on offering zero fees, what is the expected date of availability?

No, we do not offer zero fees to undergraduate students. Citi does not pay the origination fee or the Federal Default Fee on behalf of the borrower.

2. Please indicate Stafford loan borrower repayment benefits (front-end and back-end):

Front End Benefits

Not applicable.

Back End Benefits

0.25% interest rate reduction for borrowers who sign-up for our auto-debit payment program and agree to only receive electronic statements.

3. Do you offer debt management counseling? If so, at what telephone number and/or website can borrowers access this benefit?

Yes. Citi is continuously working to manage default rates through our ongoing commitment to financial literacy programs and effective debt management for our schools and their students.

Outreach Campaigns

We know how important it is to help students successfully navigate repayment to keep their credit intact and to prevent defaults. We have two customer service units that are dedicated exclusively to borrower outreach prior to and during repayment.

- *The Education Unit* focuses on assisting borrowers entering repayment for the first time, or coming out of a deferment or forbearance period, and proactively educates

them on repayment and repayment options. The unit calls every borrower as they enter repayment to ensure they are informed of their repayment responsibilities and options. During this call, we review the monthly payment amount, repayment options, deferment/forbearance eligibility, Citi borrower benefits and confirm demographic information.

- *The Student Assistance Unit* contacts borrowers who are seriously delinquent in an effort to prevent default. Our goal is to provide these borrowers with repayment options that will help them avoid future credit problems.

Services for Borrowers

Citi believes it is crucial for borrowers to develop financial literacy skills early in their college career. Our online services, outreach programs, and financial management tools assist borrowers to become more financially responsible.

- Citi's website studentloan.com provides borrowers account status information, debt counseling tools and financial calculators. Borrowers are able to compare Citi's various repayment plans on studentloan.com to see which one may be right for them
- Borrowers with FFELP and CitiAssist Private Loans from Citi will receive a combined billing statement, helping to streamline the repayment process and reduce the risk for delinquency
- Deferment and forbearance forms can be downloaded and the most frequently used forms may be completed online

Borrowers can call Citi Customer Service at (800)-STUDENT.

4. Do you offer loan consolidation counseling for borrowers? If so, at what telephone number and/or website can borrowers access this benefit?

At this time, we do not offer a consolidation loan product.

5. Do you offer any other counseling to borrowers? If so, at what telephone number and/or website can borrowers access this benefit?

Citi takes student loan indebtedness very seriously. As a full services financial institution, we want our student customers to become financially responsible and enjoy all the benefits associated with a full service provider.

Our effort to discourage unnecessary borrowing includes Citigroup's 10-year, \$200 million global commitment to financial education programs, the tools found on students.usecreditwisely.com and comprehensive counseling services from our Education Unit.

Finally, Citi continues to monitor and evaluate aggregate private loan borrowing limits and debt to income ratios to ensure both school and student needs are met. Our credit review processes have stringent policies which fully evaluate the student's ability to repay and we will work closely with each school to provide support for counseling on unnecessary borrowing.

Financial Literacy Workshops

Based on the belief that knowledge is your greatest asset, Citi participates in Citigroup's Financial Education Program, a global, company-wide effort to identify, support and implement initiatives that help give individuals, families, students and communities the tools needed to make sound financial decisions. In an effort to maximize Citigroup's commitment to financial education, Citi is offering schools a financial education curriculum aimed to help students develop the skills necessary to make informed financial decisions.

The following list of customized workshops, produced in both English and Spanish, can be offered directly to your students or through a “train the trainer” program. Additionally, all lessons, activities and handouts for these seminars are available online and on CD-ROM.

- Introduction to Financial Services – Highlights information and activities on saving vs. investing, making a successful financial plan, setting financial goals and building a monthly budget
- Basic Banking Service – Discusses the many services of a bank, the ABCs of a checking and savings account and more
- Money Management: Savings & Investing – Offers tools, resources and activities for financial planning, saving and investing
- Credit – Features the ABCs of Credit including credit scores, establishing and maintaining good credit, managing credit challenges, identity theft, and bankruptcy

Additional information about Citigroup's Financial Education Program, including Citigroup Foundation guidelines, links and resources, and the Citigroup Financial Education Program Curriculum and Facilitator's Guide, may be found at financialeducation.citigroup.com.

Students.usecreditwisely.com

This interactive website of a Citi affiliate provides students with education tools for budgeting practices, the basics of credit reports and how to protect themselves from identity theft. Additionally, the site offers the Credit-ED Challenge, a free one-hour, interactive, financial education workshop that cuts to the chase on credit issues that students need to know. After completing the workshop, students are encouraged to take the test to become Credit-ED Certified.

- Featuring the latest financial education information, videos and activities, the Credit-ED Challenge workshop kit contains all the materials necessary for a facilitator to conduct a workshop on campus. The workshop assumes no prior financial knowledge on the part of the facilitator or participants. Materials in this free Credit-ED Challenge workshop kit are available for facilitators to order at students.usecreditwisely.com.
- Students can take the Credit-ED Challenge on-line at their own pace. This tutorial features the same material, videos and activities taught in the Credit-ED Challenge workshop.

PLUS and Graduate PLUS Loan Benefits:

1. Please indicate your PLUS Loan borrower benefits (front-end and back-end):

Front End Benefits

Not applicable.

Back End Benefits

0.25% interest rate reduction for borrowers who sign-up for our auto-debit payment program and agree to only receive electronic statements.

2. Please indicate your Graduate PLUS Loan borrower benefits (front-end and Back-end):

Front End Benefits

Not applicable.

Back End Benefits

0.25% interest rate reduction for borrowers who sign-up for our auto-debit payment program and agree to only receive electronic statements.

We reserve the right to modify or discontinue benefit programs as well as loan terms and conditions at any time. Any modifications to FFELP Loans would be limited to those permitted under the Higher Education Act. Any termination or modification of the benefit programs or loan terms and conditions will not affect the terms of loans previously made.

Stafford and PLUS Loans

Our auto-debit payment program provides additional interest rate reductions during repayment when a borrower enrolls in the program and agrees to receive only electronic statements. This interest rate reduction will automatically terminate for payments returned for insufficient funds, delinquency or default.

Borrowers may apply online at any time. The three-minute credit response is for applications submitted Monday to Friday from 7:00 a.m. to 11:00 p.m. E.T. Additional documentation and data verification may be requested for loan approval.

Specific terms and conditions apply, visit studentloan.com or call us at 1-800-967-2400.

© 2009 The Student Loan Corporation

The Student Loan Corporation is a subsidiary of Citibank, N.A.

Citi and Citi with Arc Design are registered service marks of Citigroup, Inc.