The Effects of COVID-19 on Student Lending
A Discussion with Credible

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credible
Welcome & Introductions

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Agenda

• Current Events & The Effects on Student Lending
• Overview of Credible
• Benefits of Credible
• Live Demonstration
• Implementation
• Q & A
Work From Home Humor

Diagram of Zoom Meeting Attention Span

- Actual meeting content: 2%
- Removal of kids from bedroom: 10%
- Removal of cat from keyboard: 7%
- Relief at seeing other human beings: 23%
- Maybe if I move the camera up higher...: 10%
- Checking out coworkers' houses: 10%
- Has my neck always looked like that?: 13%
- OMG, why didn't I take a shower?: 28%

How do you wish to pay?

Experts recommend sticking to your daily routine even when working from home.

New Yorkers and Londoners:

6:52 PM - Mar 16, 2020 - Twitter Web App
32.7K Retweets 112.2K Likes
## COVID-19 Effects on Student Lending & Higher Education

<table>
<thead>
<tr>
<th>COVID-19 EFFECT</th>
<th>IMPACT ON STUDENTS &amp; PARENTS</th>
<th>IMPLICATIONS ON FINANCIAL AID OFFICES</th>
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| **Record unemployment** | • Decrease or loss of income due to COVID-19  
  • Many will seek additional training / skill sets | • Appeals and professional judgments  
  • Increase in enrollments & financial aid applications  
  • More 1:1 counseling |
| **“Rethinkers”** | • Health, safety and financial fears  
  • May move to online classes or Community Colleges vs four-year universities | • Need simple & quick financial solutions for prospective students  
  • Reassurance for rethinkers “shopping” for better aid packages  
  • Additional 1:1 counseling |
| **Expected lower interest rates** | • Lower PSL rate options  
  • Save money on education expenses  
  • Refinance at lower rate  
  • Inundated with direct to consumer mailings | • Federal Plus loan vs Private loan questions  
  • Resources to provide guidance around smart borrowing & refinancing  
  • Trusted partners and resources |
## COVID-19 Effects on Student Lending & Higher Education

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| Federal relief measures | • 6 month payment relief  
• 0 interest for 6 months  
• No collection activities for 6 months | • Increased counseling for alumni & graduates  
• Institution may receive Perkins loan relief inquiries |
| International Students | • Uncertainty with travel restrictions  
• Rethinking college plans | • Could effect enrollment numbers  
• Emergency grants  
• Partner with international financing partners  
• Provide virtual recruiting events |
## COVID-19 Effects on Student Lending & Higher Education

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| Need for technology and online solutions | • Course work moving to online formats  
• Using technology to interact with professors and other campus offices | • Ensuring students have the funds to purchase additional technical resources  
• Simple, transparent process  
• More online office procedures  
• Vetted, trusted partnerships |
| Financial scams around COVID-19 | • Increased exposure to risk  
• Will look to trusted resources (FAO)  
• Overload of information | • Control the information / message  
• Trusted partners |
Executive Summary

• Existing options to compare private loans are inefficient, lack transparency, and are difficult for schools to manage
  – Students and parents must complete multiple loan applications in order to compare rates from different lenders
  – Inability to compare real rates leads to decisions based on brand recognition or search engine rankings
  – Financial aid offices maintain lengthy historical lists, oversee complex RFI processes, or provide no guidance

• Credible is the leading, independent, student loan marketplace in the U.S.
  – Proprietary technology platform that enables borrowers to instantly compare accurate, personalized rates, in an impartial manner from multiple lenders, without impacting their credit score
  – Partnered with major private student loan lenders and helped more than 500,000 families to-date

• Financial aid offices can leverage Credible’s platform to help borrowers find the right option for their unique needs
  – Allows financial aid professionals to spend more time with the students that require their expertise
  – Provides a no-cost, simple to implement solution for guiding borrowers through this complex decision
  – Eliminates the need for financial aid offices to expend time and effort maintaining lender lists
Credible is an independent, digital consumer finance marketplace

**COMPANY OVERVIEW**

- **$4.7bn**
  - CUMULATIVE LOAN ORIGINATIONS

- **2.7mn**
  - USER PROFILES

- **Trustpilot**
  - 4.8/5.0 TRUSTSCORE
  - 3,000+ Reviews

**STUDENT LOANS**

- **>$1.5bn**
  - ORIGINATIONS IN 2019

**PARTNERS**

- **21**
  - STUDENT LOAN LENDERS ON PLATFORM

**VALUE PROPOSITION**

- Accurate rates from multiple, vetted lenders in <3 mins
- Checking rates does not impact credit score
- Complete privacy - personal data is secure and never sold
- Digital, concierge-style service

Borrowers save $3,922 in interest payments, on average, when checking rates with Credible

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1 Based on a June 2019 study published by Credible
Credible provides unique benefits to students and parents when comparing their private student loan options...

<table>
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<tr>
<th>Benefit</th>
<th>Credible</th>
<th>Other Comparison Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-form application to see actual rates from multiple, vetted lenders</td>
<td>✔</td>
<td>✗</td>
</tr>
<tr>
<td>Ability to offer accurate, personalized, and prequalified rates</td>
<td>✔</td>
<td>✗</td>
</tr>
<tr>
<td>Breadth of lenders to maximize student and parent qualification</td>
<td>✔</td>
<td>Varies</td>
</tr>
<tr>
<td>Concierge-style customer care available via phone, email, and chat, 7 days/week</td>
<td>✔</td>
<td>✗</td>
</tr>
<tr>
<td>Students and parents control their data and with whom they share it</td>
<td>✔</td>
<td>✗</td>
</tr>
<tr>
<td>Comparing personalized rates does not impact credit score</td>
<td>✔</td>
<td>✗</td>
</tr>
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...and supports Financial Aid Offices by allowing them to spend more time advising students and less time on burdensome processes

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<th>Feature</th>
<th>Description</th>
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<tr>
<td>Transparent</td>
<td>Simple and transparent user experience allows Financial Aid Offices to more efficiently serve each student they consult</td>
</tr>
<tr>
<td>Efficient</td>
<td>Eliminates the need to manually maintain lender lists and conduct time-consuming RFI processes</td>
</tr>
<tr>
<td>Simple</td>
<td>Schools receive certification and funds via their preferred method with no changes to systems or back-end infrastructure necessary</td>
</tr>
<tr>
<td>Compliant</td>
<td>Lender-agnostic platform ensures compliance with regulatory guidelines by not endorsing or providing preferential treatment to lenders</td>
</tr>
<tr>
<td>Consumer-focused</td>
<td>Concierge-style customer care team 7 days per week can field common questions and provide lender-agnostic guidance that otherwise inundates Financial Aid Offices</td>
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</table>
Directing students and parents to Credible via your Financial Aid office website is fast and easy to implement.

Insert a link and context on Credible’s unique value to your school’s students (drafted by Credible if desired)

Co-branded landing page designed specifically for your school in under a week
Helpful Resources

Unemployment / Professional Judgments

Tips:
Be consistent and document everything
Provide clear and concise information on your websites
Work with Industry partners (Ocelot, chat bot ocelot.com)

Resources:
www.nasfaa.org

All CARES Act grant resources and guidance can be found on the Office of Postsecondary Education's webpage: www2.ed.gov/about/offices/list/ope/caresact.html

Rethinkers

Tips:
Host online open houses & orientations
Partner with other departments (Admissions) on a prospective student Q&A
Provide online transparent solutions

Resources:
Helpful Resources

Interest Rates

Tips:
Provide neutral resources and content on Plus loan vs private loans
Work with trusted partners for information and online comparison tools

Resources:
Credible.com/blogs
www.credible.com/schools List of Credible lenders with current interest rates
https://www.credible.com/faqs Answers many private student loan questions for students and families
https://www.credible.com/blog/ Great neutral content for schools to use
https://www.nerdwallet.com/best/loans/student-loans/private-student-loans – Nerd Wallet review, happy to see so many of Credible lender partners listed!

Other financial partners
Helpful Resources

Federal Relief Measures

Tips:
Perkins programs need to have any relief measure determined and posted on your website
Make sure other campus departments are aware of these relief measures
Post this information and additional links on your websites

Resources:
- [https://studentaid.gov/announcements-events/coronavirus](https://studentaid.gov/announcements-events/coronavirus)
- The Institute of Student Loan Advisors, TISLA  [www.freestudentloanadvice.org](http://www.freestudentloanadvice.org)
- [https://www.credible.com/refinance-student-loans](https://www.credible.com/refinance-student-loans)
Helpful Resources

International Students

**Tips:**
Partner with industry experts (Mpower Financing, Prodigy Financing & Flywire)
Host virtual recruiting events and virtual roadshows

**Resources**
NAFSA  [https://www.nafsa.org/](https://www.nafsa.org/)
[https://www.nafsa.org/regulatory-information/covid-19-restrictions-us-visas-and-entry](https://www.nafsa.org/regulatory-information/covid-19-restrictions-us-visas-and-entry)
[https://www.usembassy.gov/](https://www.usembassy.gov/).

Technology

**Tips:**
Ability to use CARES grant funds for institutions & students for online costs
Provide simple and transparent guidance and tools for your students and alumni

**Resources:**
[www.credible.com/schools](http://www.credible.com/schools)
[www.ocelot.com](http://www.ocelot.com)
Helpful Resources

Financial Aid Scams

**Tips:**
Control the information provided to your students and alumni
Play spot the scam Bingo game!

**Resources:**
FTC
https://www.consumer.ftc.gov/features/coronavirus-scams-what-ftc-doing
CFPB
www.consumerfinance.gov
OIG
www.2.ed.gov

Other Tips:
NASFAA
State Associations
Your colleagues!
Questions? We’re here to help!

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