

QUESTIONS & ANSWERS

What is the FAFSA?

The Free Application for Federal Student Aid (FAFSA) is a required form for students to be considered eligible for virtually all need-based financial aid, including federal and state financial aid. It is available at www.fafsa.ed.gov.

What are Stafford loans?

Stafford loans are federally-guaranteed loans that feature low, fixed interest rates and are available to undergraduate and graduate students who are enrolled at least half-time in an accredited college or university.

What are origination and federal default fees?

The origination fee is a 1.50% fee for loans first disbursed between 7/1/07 and 6/30/08 paid by borrowers directly to the federal government to help reduce the government's cost of supporting low-interest Stafford loans. Beginning 7/1/08, the origination fee is 1.00%. The federal default fee is a 1.00% fee paid to the guarantor. ALL Student Loan pays the origination fee on behalf of the borrower. ALL Student Loan utilizes various guarantors, some of who waive the federal default fee.

What are subsidized and unsubsidized Stafford Loans?

The federal government pays the interest on a subsidized Stafford loan while the student is in school or in deferment. Students qualify based on information submitted on their FAFSA. Unsubsidized Stafford loan borrowers pay all interest that accrues, including while they are in-school, grace, and deferment.

Call **888-271-9721** for loan details!



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Lender ID #833752

ALLSTAFF0408-CA

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#1 California Nonprofit Lender

- **0.00%** origination fee
- **0.00%** federal default fee*
- **1.00%** interest rate reduction after 48 consecutive on-time payments
- **0.25%** interest rate reduction for ACH payments

Thru June 30, 2008	Federal Rate	ALL's Rate†
Stafford Rate	6.80%	5.55%
Origination and Federal Default Fees	2.50%	0.00%*





†Rates and reductions effective for new Stafford loans first disbursed on or after 6/1/08 through 6/30/08. See reverse for additional terms and conditions.

*For select guarantors.

Starting July 1, 2008	Federal Rate	ALL's Rate††
Subsidized Stafford Rate	6.00%	4.75%
Unsubsidized Stafford Rate	6.80%	5.55%
Origination and Federal Default Fees	2.00%	0.00%*

††Rates and reductions effective for new Stafford loans first disbursed on or after 7/1/08 through 6/30/09. See reverse for additional terms and conditions.

BENEFITS COMPARISON CHART

Benefits	ALL Student Loan	Sallie Mae	Bank of America
0.00% Origination Fee		•	•
0.00% Federal Default Fee		•	
1.00% Interest Rate Reduction			
0.25% Interest Rate Reduction for ACH			•

Information is correct as of March 17, 2008.

The ALLsaver Stafford Loan rate represents an interest rate reduction of 1.00% after the first 48 consecutive on-time payments from the Federal Statutory Rate (the "timely payment benefit") and an additional interest rate reduction of 0.25% if borrower authorizes payments to be electronically debited from their bank account (the "ACH benefit"). If borrower's account becomes 10 days past due or if ACH payment is rejected, the ALLsaver Stafford Loan timely payment benefit and the ACH benefit will be permanently lost.

ALLsaver Stafford Loan is available for students attending an eligible California school and California residents attending an eligible school outside of California. Aggregate outstanding principal balance at commencement of repayment must be at least \$7,500 for the ALLsaver benefits to apply.

Certain other qualifications and restrictions may apply to any program or product described herein. No other discounts apply. All programs and products are subject to change without notice.

* To be eligible for the 0.00% federal default fee, the guarantor must waive collection of the FDF. Currently guarantors Great Lakes, ECMC and TG waive the FDF. Additional guarantors may be added. Please contact us for the most current information.