



2007–2008 Federal Stafford Loan Guide

This guide will provide you (the borrower) with information for Federal Subsidized and Unsubsidized Stafford Loans for students, which are a part of the Federal Family Education Loan Program (FFELP). Your electronic Financial Aid Notification (eFAN) will let you know for which of these loans you are eligible and how much has been offered to you. Before you decide to accept a student loan, please read this guide.



STAFFORD FACT SHEET

	<i>Subsidized Stafford Loan</i>	<i>Unsubsidized Stafford Loan</i>
Program Description	<p>Eligibility based on financial need.</p> <p>Federal government pays the interest while student is in school.</p>	<p>Eligibility not based on need.</p> <p>Student is responsible for the interest accrued while in school.</p> <p>Can be offered in conjunction with a subsidized Stafford as long as the maximum annual or aggregate limits have not been exceeded.</p>
Eligibility	<p>Undergraduate and Graduate students enrolled at least half-time.</p> <p>Free Application for Federal Student Aid (FAFSA) must be completed annually.</p>	<p>Undergraduate and Graduate students enrolled at least half-time.</p> <p>Free Application for Federal Student Aid (FAFSA) must be completed annually.</p>
Interest Rate	<p>For loans disbursed on/after July 1, 2007: 6.80% fixed. No interest accrues while in school or during grace period.</p>	<p>For loans disbursed on/after July 1, 2006: 6.8% fixed. Interest accrues while in school and during grace period.</p>
Fees ¹	<p>1.5% origination fee charged by US Dept. of Education.</p> <p>1.0% loan default fee charged by the guarantor².</p>	<p>1.5% origination fee charged by US Dept. of Education.</p> <p>1.0% loan default fee charged by the guarantor².</p>
Repayment	<p>No payments due while student is in school.</p> <p>Six-month grace period after student leaves school or drops below half time.</p> <p>Standard repayment period of 10 can be extended.</p>	<p>Principal and interest can be deferred while student is in school and during a six-month grace period after the student leaves school or drops below half-time status. Deferred interest will be capitalized (added to the principal), or students can pay interest while in school.</p> <p>Standard repayment period of 10 can be extended.</p>

¹ All fees are deducted from the loan amount prior to disbursement of funds. Please refer to the Preferred Lender List at the end of this guide to see if the fees are waived by the lender or guarantor.

² UCLA uses EdFund or USAF to obtain guarantees for the lenders on our preferred lender list. Please inquire at the Financial Aid Office to inquire which guarantor works with your lender.



In order for Stafford funds to be disbursed by the lender, loans must be certified before the last day of the academic period for which the loan is offered.

APPLYING FOR A STAFFORD LOAN

Stafford Loan Limits are based on your grade level and dependency status:

Dependent Undergraduate:

1st Year..... \$ 3,500
2nd Year.....\$ 4,500
3rd & beyond\$ 5,500

Independent Undergraduate:

1st Year.....\$7,500
(with no more than \$3,500 subsidized)
2nd Year.....\$8,500
(with no more than \$4,500 subsidized)
3rd & beyond\$10,500
(with no more than \$5,500 subsidized)

Graduate:

All\$ 20,500
(no more than \$ 8,500 subsidized)

Aggregate Maximums:

Dependent - \$23,000
Independent - \$46,000 (of which no more than \$23,000 can be subsidized)
Graduate - \$138,500 (of which no more than \$65,500 can be subsidized)

Step 1

- Accept the loan on your electronic Financial Aid Notification (eFAN)
- If you would like to borrow less than the amount offered, indicate the amount you want to borrow on the eFAN
- Select the lender for your loan on the eFAN. A list of UCLA's preferred lenders is included at the end of this guide.

Step 2

- *If you are a first time borrower at UCLA*, complete a Master Promissory Note. For lenders on UCLA's preferred lender list, go to <https://opennet.salliemae.com> to complete your MPN. For non-preferred lenders, contact your lender for instructions

Step 3

- *If you are a first time borrower at UCLA*, complete an on line Debt Management Session with Student Loan Services at www.loans.ucla.edu.

You do not have to borrow a loan through one of UCLA's preferred lenders. If you want to select a different lender, enter the lender's name on the eFAN and your loan will be processed via 'paper'.

ACCESS TO YOUR LOAN INFORMATION

UCLA uses Sallie Mae's OpenNet platform to originate (process) loans for all of our electronic lenders. OpenNet is a lender neutral platform and its' use is not intended to endorse the use of any specific lender on the list. OpenNet will allow you to:

- Complete and e-sign your Master Promissory Note (MPN)
- Get real-time information on the status of your loans
- Update your demographic information and references
- Print out your MPN for your records or to submit to the lender if you prefer not to e-sign
- Access history of all FFELP loans borrowed while at UCLA.

STAFFORD DISBURSEMENTS

The total loan amount you accept on your eFAN will be divided equally among the terms of your enrollment at UCLA each academic year. If you apply with one of UCLA's preferred lenders, your loan will be disbursed electronically and applied to your UCLA BAR account. Any funds left, after BAR charges are paid, will be refunded to you. If you choose to work with a lender that does not work with UCLA electronically, your loan will be disbursed via a paper check that will need to be picked up from Student Loan Services each term.

You must be enrolled at least half time (6 units undergraduates; 4 units graduates) in order for your Stafford loans to be disbursed. If you drop below half time enrollment or withdraw from school, you will be billed for all or part of the loan(s) disbursed to you for that term.

SELECTING A LENDER

On the following pages, please find a list of lenders who participate in UCLA's electronic process for the delivery of Federal Stafford Loans. In order to ensure efficiency and ease of process and to allow for the electronic disbursement of your loan funds, UCLA uses the OpenNet site to originate Stafford Loans for all of our electronic lenders. For your convenience, you can continue to access OpenNet or contact Sallie Mae in the future to obtain information on loans borrowed through any of the lenders listed below.

You can select to borrow from a lender not listed below. If you do, please contact them directly to complete your loan application. Please note that we may not be able to disburse funds electronically for lenders not listed below. Please check with the Financial Aid Office for additional information.

You may contact Sallie Mae to obtain information on any loan borrowed through one of UCLA's preferred lenders:

Sallie Mae Loan
 Servicing Center
 P. O. Box 147020
 Gainesville, FL 32614-7020
<https://opennet.salliemae.com>
 Phone: 888-272-5543
 Fax: 800-848-1949

Sallie Mae will service your loans during repayment for all of the lenders listed in this guide. Of the lenders listed, CHELA Education Financing and ALL Student Loan Corp. retain ownership of the loans while in repayment while other lenders sell the loans to Sallie Mae. The repayment benefits listed will remain in effect when your loan is in repayment regardless of the sale and/or servicing arrangement between the lender and Sallie Mae. **Borrower benefits are subject to change by the lender without prior notice.**




You have the right to request a cancellation or a reduction of your loan provided that you submit written notification to the Financial Aid Office.






You will be mailed additional information regarding all applicable deadlines. For additional information, please contact the Financial Aid Office.

CHOOSING A LENDER – LOOK FOR WAYS TO SAVE

Before you select a lender for your Stafford Loan, please take a look at the different repayment incentives offered by UCLA's Stafford Lenders.

NOTE: Interest rate is fixed at 6.8% . Loan fees, if applicable (see below), are deducted from each disbursement.

<p>Nellie Mae (829076)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p>Fees: None. <i>For loans guaranteed before 02/01/08:</i> 1% loan credit after making first 6 payments as initially scheduled. Additional 2% loan credit after making the first 12 payments on time. Borrower must sign up for Manage Your Loans at www.salliemae.com/manageto qualify. 0.75% interest rate reduction for auto-debit.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 1% loan credit after making first 12 payments as initially scheduled. Borrower must sign up for Manage Your Loans at www.salliemae.com/manage to qualify. 0.25% interest rate reduction for auto-debit.</p>
<p>Bank of America (806746)</p>	<p>Fees: None. 3% principal rate reduction after making 36 payments on-time:1% principal rate reduction after making payments 1-12, 1% principal rate reduction after making payments 13-24, 1% principal rate reduction after making payments 25-36. 0.25% interest rate reduction with ACH debit from any checking or savings account. 45 day grace period.</p>
<p>ALL Student Loan Corp. (833752)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p>	<p>Fees: None. 2.25% interest rate reduction at repayment (includes a 1.00% interest rate reduction for on-time payments and a 1.25% interest rate reduction for automatic debit payments). Aggregate balance of \$7500 required.</p>
<p>AMS (833067)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p><i>For loans guaranteed before 02/01/08:</i> Fees: None. 5% loan credit or check payable in two installments; 2.5% at repayment and 2.5% after making the first 12 on time payments. No interest on the first year of the borrowers first Unsubsidized Stafford Loan with AMS. Borrower must provide proof of graduation in order to qualify for interest rate reductions. Additional 0.50% interest rate reduction after 36 on time payments. Borrowers must sign up for Manage Your Loans to qualify.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> Fees: None. 0.40% interest rate reduction for making payments using auto-debit.</p>
<p>Sallie Mae Education Trust (802218)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p>Fees: None. <i>For loans guaranteed before 02/01/08:</i> 1% interest rate reduction after first payment on-time. Borrower must sign up for Manage Your Loans at www.salliemae.com/manage to qualify. 0.25% interest rate reduction for auto-debit.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 5% loan credit of each scheduled monthly payment amount for the first 18 payments made as initially scheduled. Borrower's ability to earn the benefit in each of the first 18 months is not impacted by any late payments made in other months during that period. For example: If payments 1 and 5 are late but all other payments are on time, 5% credit will be applied for each of the on-time payments. To qualify, the borrower must complete an on-line credit education tutorial, provide proof of graduation and sign up to receive account information by e-mail prior to repayment. The credits will be applied to the borrower's Sallie Mae loan account after he/she makes the 18th scheduled payment to Sallie Mae and the loan is in a non-delinquent or non-default status.</p>

<p>CHELA Education Financing (833953)</p>	<p><i>For loans disbursed before 10/01/07:</i> Fees: None. 1.50% interest rate reduction during repayment. Additional 0.25% interest rate reduction for auto-debit of loan payments. Minimum loan balance of \$7500 required. Benefit is lost if the account becomes 30 days past due.</p> <p><i>For loans disbursed on/after 10/01/07:</i> Fees: 1.5% origination fee and 1% loan default fee. CHELA will forgive the last five payments on your loan after all previous payments are made on time (no more than 3 days past the scheduled due date). Additional two last payments will be forgiven for using auto-debit to make your loan payments. To qualify, you must sign up for e-correspondence and complete exit counseling at www.nelnet.com. If prepayment exceeds more than three times the value of regularly scheduled payment, the last five payments will not be waived.</p>
<p>Sun Trust (820564)</p>  <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p>Fees: None for loans guaranteed/first disbursed by 01/01/08. 1.5% origination fee and 1% loan default fee for loans guaranteed/first disbursed after 01/01/08.</p> <p><i>For loans guaranteed before 02/01/08:</i> 0.50% loan credit after making the first 24 payments as initially scheduled. Borrower must sign up for Manage Your Loans at www.salliemae.com/manage to qualify. 1.25% interest rate reduction for auto-debit payments.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 1.50% loan credit after making the first 12 payments as initially scheduled. Borrower must sign up for Manage Your Loans at www.salliemae.com/manage to qualify. 0.30% interest rate reduction for auto-debit payments.</p>
<p>Wachovia Education Finance (811323)</p> 	<p>Fees: None. <i>For loans with 1st disbursement prior to 01/01/08:</i> Receive three rebates up to 3.50% of the original loan amount. To qualify, borrowers must make consecutive, on time payments using auto debit from their bank account. Borrowers can receive an immediate 1.00% rebate at the start of repayment, another 1.00% after the first 12 payments and additional 1.5% after the first 24 payments. Triple Payback rebates are automatically credited to the outstanding loan balance. Alternatively, the borrower may request cash rebates totaling up to 3.5% of your original loan amount.</p> <p><i>For loans with 1st disbursement on/after 01/08/08:</i> No back-end incentives are offered.</p>
<p>Chase Education Finance (811925)</p>  	<p>Fees: no origination fee. 1% default fee. <i>For loans guaranteed before 02/01/08:</i> Borrowers qualify for 5.0% loan credit or cash back after 33 on-time monthly payments, based on the original principal balance of the loan. Borrowers are required to enroll in Manage Your Loans at www.salliemae.com/manage in order to qualify for benefits.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> No back end incentives are offered.</p>