



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Iowa Student Loan Announces Armed Forces Interest Reduction Program

DES MOINES, IOWA – May 25, 2007 – While borrowers are deployed in a wartime effort, Iowa Student Loan is honoring those serving in the Armed Forces. Iowa Student Loan announced today a \$500,000 commitment to provide 0% interest on private student loans for its borrowers serving in the U.S. Armed Forces during wartime efforts since Sept. 11, 2001. The Iowa Student Loan Armed Forces Interest Reduction Program will provide a benefit of interest-free private student loans for up to 24 months to borrowers on active federal duty under Title 10 USC Section 12302.

“We want to recognize borrowers who are serving our nation during this time of war,” said Steve McCullough, CEO of Iowa Student Loan. “We’re proud to honor these brave men and women and provide some relief to them and their families during this difficult time.”

Members of Iowa’s congressional delegation and local military officials lauded the program. “I commend Iowa Student Loan for stepping up and assisting those Iowans, our veterans, who are so bravely serving our country. This practice should be replicated throughout the lending industry,” said Representative Leonard Boswell (D-IA 3rd).

“The Iowa Student Loan Armed Forces Interest Reduction program very tangibly honors the sacrifice of Iowa’s service members. We will encourage our eligible soldiers and airmen to fully explore the generous benefits of this program in recognition of their honorable and selfless service,” said Lt. Col. Gregory Hapgood, Public Affairs Officer for the Iowa National Guard.

“I commend Iowa Student Loan for stepping up and assisting Iowans serving our country. This is exactly the type of service I have come to expect Iowa Student Loan to provide to Iowa students and families,” said Representative Tom Latham (R-IA 4th).

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In order to qualify for the Armed Forces Interest Reduction Program, borrowers must meet the following criteria:

- Have a non-defaulted private loan owned or serviced by Iowa Student Loan (or have completed payment on such a loan) during the eligibility period of Sept. 11, 2001, to Dec. 31, 2008.
- Provide a copy of military orders confirming eligible service.

Iowa Student Loan will credit eligible borrowers who have already notified the company as to their deployment status. Iowa Student Loan has identified approximately 400 borrowers who currently qualify for the program; many have already been granted loan deferments. Borrowers who have not yet provided deployment orders to Iowa Student Loan and who meet the eligibility requirements should call (800) 243-7552. A representative of the borrower, such as a spouse or parent, can also contact the company.

“I have about \$10,000 in student loans with Iowa Student Loan. This program is great – it’s a big load off my mind,” said Staff Sergeant Trenton D. Byler of the U.S. Army Reserve in Des Moines.

“This program from Iowa Student Loan is wonderful. It’s a big help to me as a single parent of two small children while my husband has been deployed for the past 20 months. Zero percent interest takes a big burden off of us. We really appreciate an organization like [Iowa Student Loan] that offers support to the military,” said Susan Pregler of Cedar Rapids, wife of Army Specialist Brian W. Pregler, stationed in Iraq.

Iowa Student Loan will continue to offer military personnel loan deferments and forbearance on principal and interest payments during periods of deployment, regardless of whether a borrower meets the eligibility requirements for the Armed Forces Interest Reduction Program. To learn more about repayment assistance available to the military, borrowers can contact Iowa Student Loan at (800) 243-7552.

About Iowa Student Loan: The mission of Iowa Student Loan is to help students and parents obtain the necessary resources for higher education. It does so with the help of its partners – institutions of higher education and over 300 Iowa lenders. For more information, visit www.studentloan.org.

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