



NEWS RELEASE

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FOR IMMEDIATE RELEASE

Iowa Student Loan Offers Payment Relief for Tornado Victims

WEST DES MOINES, IOWA – May 30, 2008 – While families begin to recover from the deadliest Iowa tornado in 40 years, Iowa Student Loan today announced an enhanced forbearance program for private student loan borrowers who sustained significant damage in four counties declared state disaster areas by Governor Chet Culver.

The Iowa Student Loan Natural Disaster Forbearance for Private Loans Program expands upon the existing loan forbearance offered through the Federal Family Education Loan Program (FFELP). On FFELP loans, up to three months of forbearance may be granted in the wake of a natural disaster. Iowa Student Loan's program will grant forbearance for payments and waive interest on private student loans during that three-month period. The program is available for eligible student loan borrowers in Black Hawk, Buchanan, Butler and Delaware counties, upon meeting verification criteria. Private student loans held by Veridian Credit Union and serviced by Iowa Student Loan will also be covered under the program.

“We value our relationships with our customers and communities across the state, and wanted to be able to support the healing and rebuilding process,” said Steve McCullough, president and CEO of Iowa Student Loan. “Our thoughts and prayers are with everyone who has been impacted by this terrible storm.”

In order to qualify for the Iowa Student Loan Natural Disaster Forbearance for Private Loans Program, borrowers must meet the following criteria:

- Be a resident of Black Hawk, Buchanan, Butler or Delaware counties and have a non-defaulted private loan owned or serviced by Iowa Student Loan.
- Provide certification from the Federal Emergency Management Agency (FEMA), or an insurance company, showing “sufficient damage” to primary residence, or verify loss of job caused by damage to place of employment.

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To learn more about loan forbearance assistance, borrowers can contact Iowa Student Loan at (800) 243-7552 Monday through Thursday from 8 a.m. to 8 p.m. Central time, and Friday from 8 a.m. to 5 p.m. Central time.

About Iowa Student Loan: Iowa Student Loan is a private, nonprofit corporation founded in 1979 by a proclamation of Iowa Governor Robert D. Ray to help students and parents obtain the financial resources necessary for a postsecondary education. Based in West Des Moines, Iowa Student Loan has helped more than 265,000 students pay for college. In 2007, Iowa Student Loan reinvested \$33 million into Iowa through programs and services. This included providing students fees and cost reductions, free college planning services, financial aid processing and community services.

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