



FOR IMMEDIATE RELEASE

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Historic Lows for Student Loan Interest Rates

CSLF's First Rate Loan Programs Provide Even More Savings to Student and Parent Borrowers

Rocky Hill, CT – May 26, 2004 – Federal student loan interest rates will once again fall to historic lows for the fourth consecutive year. The United States 91-day Treasury bill (T-bill), auctioned earlier this week, established the 2004-2005 student loan interest rates, saving money for student and parent borrowers throughout the nation.

According to the Connecticut Student Loan Foundation (CSLF), the lower interest rates are good news for student loan borrowers. The new interest rates, effective July 1, 2004 - June 30, 2005, are: Stafford Loans in repayment will drop from 3.42% to 3.37%; Stafford Loans in an in-school or grace period will drop from 2.82% to 2.77%; and PLUS Loans will drop from 4.22% to 4.17%.

The lower rates are also good news for borrowers interested in loan consolidation. The interest rate for a Consolidation Loan is calculated by taking the weighted average of a borrower's underlying loan(s) and rounding up to the nearest 1/8th of a percent. By consolidating after July 1 when interest rates fall, applicants can take advantage of the new rate(s) and lock in a lower, fixed rate for the life of their loan.

Borrowers can further reduce their already historic low interest rates through CSLF's First Rate Loan programs. By choosing CSLF as their lender, Stafford and PLUS Loan borrowers receive an *immediate* 0.5% interest rate reduction upon entering repayment. PLUS Loan borrowers may receive an additional 0.5% interest rate reduction by having their payments automatically deducted from a checking or savings account; and Consolidation Loan borrowers may receive up to a 1.25% interest rate reduction.

For more information about student loans and the interest rate reductions available through CSLF's First Rate Student Loan programs, visit www.cslf.com or call us toll-free at 1(800) 237-9721, Extension 442.

***ABOUT CSLF** – The Connecticut Student Loan Foundation (CSLF) is a national, non-profit agency that administers, guarantees, finances, and services loans within the Federal Family Education Loan (FFEL) and other alternative loan programs. CSLF has over 35 years of experience providing assistance to students and parents seeking to finance a higher education. As a guarantor, CSLF assures that low-interest Federal Stafford Loans and Federal PLUS Loans remain available to eligible students and parents. CSLF also is a lender and provides financing directly to educational institutions on behalf of students and parents. Learn more about CSLF at www.cslf.com.*