



CONNECTICUT STUDENT LOAN FOUNDATION

525 Brook Street | P.O. Box 1009 | Rocky Hill, CT 06067 | 800.237.9721 | 860.257.4001

FOR IMMEDIATE RELEASE

Contact: Lisa C. Kyranos – 1 (800) 237-9721

CSLF Continues to Waive Guarantee Fee

Continuous Fee Waiver Has Saved Student and Parent Borrowers over 13 Million Dollars

Rocky Hill, CT – February 22, 2005 - The Connecticut Student Loan Foundation (CSLF®) announced today that it will continue to waive the one-percent insurance premium (guarantee fee) on all Federal Stafford and Federal PLUS Loans. Since beginning the guarantee fee waiver in June 1999, CSLF has saved student and parent borrowers over \$13 million, providing more money for direct educational expenses.

“CSLF’s financial strength and integrity, enhanced default prevention programs, and successful default aversion efforts have all helped CSLF to be one of the few agencies able to maintain a strong and healthy federal reserve fund,” said Mark W. Valenti, President of CSLF. “As a result, CSLF is able to waive the one-percent guarantee fee for the seventh consecutive year and will continue to do so for as long as federal regulations and the condition of CSLF’s reserve fund permit,” said Mr. Valenti.

Current regulations specify that guarantors must maintain a minimum reserve ratio. A guarantor may collect an insurance premium from the borrower - up to one-percent of the total loan amount - for its reserve, which is used to pay claims on defaulted loans. By remaining fiscally responsible and enhancing default prevention efforts, CSLF has been able to maintain a healthy reserve ratio and is once again able to eliminate this borrower fee.

The guarantee fee waiver is just one example of CSLF’s commitment to keeping student loans affordable. Coupled with CSLF’s borrower benefits, borrowers can save even more, leaving more money for tuition, books, and other college expenses.

***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 40 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.*