



EASY BILINGUAL LOAN APPLICATION

2Futuro makes it easy to complete the application online in Spanish or English. In addition, Spanish-first customer service and credit counseling is available by telephone.

To apply for a Federal loan, go to www.2Futuro.com or call 1-888-2Futuro.

2futuro[®]

A College Financing and Outreach Program for Spanish- and English-Speaking Families

Federal Stafford and PLUS Loans



About USA Funds

USA Funds is the nation's leading guarantor of student loans. A nonprofit corporation, USA Funds works to enhance postsecondary education preparedness, access and success by providing and supporting financial and other valued services.



About Sallie Mae

Sallie Mae is the nation's leading saving, planning, and paying for education company. Over the past 37 years, we have helped more than 21 million students achieve their education goals. Through our Upromise[®] programs, we manage more than \$17.5 billion in 529 college-savings plans and provide a major, private source of college funding contributions in America with 10 million members and \$475 million in member rewards.

SALLIE MAE RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS, SERVICES, AND BORROWER BENEFITS (INCLUDING INTEREST RATE REDUCTIONS), AT ANY TIME WITHOUT NOTICE.

† Consult your tax advisor for more information or visit www.irs.gov/pub/irs-pdf/p970.pdf.

* Deferring payments while in school and during the six-month period after the student graduates, leaves school or drops below half-time enrollment will increase the overall loan costs. Currently for Graduate PLUS Loans, unpaid interest that accrues while the student is in school and in the six-month post-enrollment period will be capitalized at the end of the six-month post-enrollment period. Currently for Parent PLUS Loans, unpaid interest that accrues during an in-school deferment and/or a six-month post-enrollment period deferment will be capitalized at the end of either the in-school deferment or, if taken, the end of the six-month post-enrollment deferment. Sallie Mae reserves the right to capitalize the interest as frequently as quarterly.

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www.2Futuro.com
1-888-2Futuro

2Futuro® is the leading Spanish-first program designed to help students and their families save, plan, and pay for college. It's the result of a partnership between USA Funds®, the nation's number one education loan guarantor, and Sallie Mae®, America's largest provider of education funding.

2Futuro offers students and their families:

- ▶ Federal Stafford loans for students.
- ▶ Parent PLUS loans for parents who want to help their children pay for their undergraduate education.
- ▶ Graduate PLUS loans for students pursuing a graduate education.
- ▶ Dedicated Spanish-first customer support.
- ▶ A bilingual financial literacy program to help students stay in college and manage their finances wisely.

The Smartest, Easiest Way to Pay for School

Finding a way to pay for college and navigating the financial aid process can be challenging. That's why 2Futuro has developed a simple, two-step approach to help families pursue financing opportunities in the most economical manner.

1 Find free money first.

Because nothing is cheaper than free, 2Futuro recommends that families first seek out all forms of financial aid that do not have to be paid back. These options include scholarships, fellowships, and grants.

2 Choose a federal loan from 2Futuro.

Once all sources of free money have been exhausted, the next step is to locate and apply for low-cost federal loans for student and parents.

STAFFORD LOANS FROM 2FUTURO

Stafford loans are low-cost student loans that are backed by the federal government. Students should apply for Stafford loans before private loans because they offer low, fixed interest rates and flexible repayment options.

Stafford loans offer:

- ▶ Easy online application in Spanish or English.
- ▶ Flexible repayment plans.
- ▶ Affordable interest rates.

Low interest rate and no credit check

There are no credit checks with Stafford loans. Subsidized Stafford loans are need-based and have a fixed interest rate of:

- ▶ 5.6% for loans to undergraduate students first disbursed July 1, 2009 through June 30, 2010.
- ▶ 6.8% for loans to graduate students.

Unsubsidized Stafford loans are not need-based and have a fixed interest rate of 6.8%.

PLUS LOANS FROM 2FUTURO

Parents and graduate and professional students can use a PLUS loan to borrow amounts up to the total cost of attendance, less any other financial aid received, as certified by the school. There are no annual or lifetime loan limits on federal PLUS loans.

PLUS loans offer:

- ▶ A fixed interest rate of 8.5%.
- ▶ No income or collateral requirements.
- ▶ Possible tax benefits[†].

PLUS loans compare favorably with other education financing options.

- ▶ **Home equity loans versus PLUS loans:** A variable-rate home equity loan ties up a home's equity, making it unavailable in case of an emergency. A PLUS loan may have a lower interest rate than a home equity loan, and the interest rate is fixed.
- ▶ **Personal loans and credit cards versus PLUS loans:** Personal loans and credit cards often have higher interest rates than PLUS loans, and they may require collateral.

- ▶ **Savings and investments versus PLUS loans:** Parents and students who have investments that are producing a higher return than the PLUS interest rate may want to consider keeping the assets where they are and take out a PLUS loan to cover the cost of education.

No payments required while the student is in school

Payments on Stafford loans and Graduate PLUS loans are deferred until six months after the borrower graduates, leaves school or drops below half-time enrollment. Unsubsidized Stafford loan borrowers may choose to begin interest payments while in school or have the interest capitalized six months after the in-school period ends*. Graduate PLUS loan borrowers may also choose to begin interest payments while in school or have the interest capitalized no more frequently than quarterly*.

Parent PLUS loan borrowers have the option to defer payments until six months after their child graduates, leaves school or drops below half-time enrollment. Parent PLUS loan borrowers may choose to begin interest payments while in deferment or have the interest capitalized no more frequently than quarterly*. If parents do not request to defer, they must begin making payments within 60 days after the loan is fully disbursed. This deferment option is available for Parent PLUS Loans first disbursed on or after July 1, 2008.

FLEXIBLE REPAYMENT OPTIONS

Federal Stafford and PLUS loan borrowers can choose from several flexible options for paying back their education loans:

- ▶ Standard repayment option, provides a fixed monthly payment of at least \$50 over a period of up to 10 years.
- ▶ Graduated repayment, under which the monthly payment starts low and gradually rises over the repayment period.
- ▶ Income-sensitive repayment, which ties the monthly loan payment to borrower income levels.
- ▶ Extended repayment, under which the borrower may reduce the amount of the monthly payment by spreading payments over a period of up to 25 years. This option is available only if the borrower has an outstanding education loan balance of more than \$30,000.
- ▶ Income-based repayment, under which borrowers may limit their payments to 10 percent of their monthly income.