

2005-2006
Financing Your
Assumption
Education



Office of Financial Aid

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Strategies for Financing Your Educational Expenses

Choosing the Best Way to Finance Your Assumption Education

You can address the remaining balance after applying any financial aid received in several ways. When you receive your bill early in the summer, you may wish to pay in full. We realize that for many families this is not an option therefore, various resources are available to assist you in financing your education expenses. To determine which resource or combination of resources best suits your needs, we recommend considering your options in the following order.

For financial aid applicants, the Federal Stafford Loans are the cornerstone of any borrowing that takes place at Assumption College. The amount you are eligible to borrow will be included in the offer of financial assistance from Assumption College. The Stafford Loan is a low-interest student loan with very favorable repayment terms.

If long-term financing options are needed other than the Federal Stafford Loan program there are two programs recommended for Assumption College families. Both the Federal PLUS Loan and the MEFA Loan permit families to borrow up to the cost of education minus any financial aid.

To limit debt, a Combination Strategy is the best option for most families. Combining the AMS Interest-Free Monthly Payment Option and Nellie Mae's low cost loan programs will permit you to limit debt while allowing for reasonable payments.

The following pages contain descriptions of each of these programs as well as terms and conditions.

Assumption College Financing Worksheet

We hope you will find the worksheet below helpful in determining the amount you and your family will need to contribute to finance your Assumption education.

Costs for 2005-2006 *(Please refer to the enclosed cover letter from the President for 2005-2006 costs.)*

Tuition		\$	<u>23,930</u>
Student Activity fee		\$	<u>165</u>
<i>*required for full-time students</i>			
Orientation fee (one-time freshman fee - fall)		\$	<u>250</u>
Standard Room & Board		\$	<u>9,030</u>
<i>*a meal plan is required of all freshmen on campus</i>			
<i>*refundable room damage deposit - \$250</i>			
**Total Estimated Cost		\$	<u>33,375</u>

Financial Aid Received for 2005-2006

Federal and /or Assumption College scholarships and grants		\$	<u> </u>
<i>*Do not include Federal Work-Study</i>			
Stafford Loan (subsidized and unsubsidized)		\$	<u> </u>
<i>*Subtract 3% of the total from the amount on the award letter. Three percent is an origination fee collected by the lender. For example, a \$2,625 loan, subtract \$79. The net amount credited to your student account would be \$2,546).</i>			
Perkins Loan		\$	<u> </u>
Admissions Deposit		\$	<u>400</u>
All other financial aid (private grants/scholarships)		\$	<u> </u>
Total Financial Aid Received		\$	<u> </u>
TOTAL ESTIMATED COST (from above)		\$	<u> </u>
Minus FINANCIAL AID RECEIVED	-	\$	<u> </u>
ESTIMATED BALANCE DUE	=	\$	<u> </u>

***There may be additional nominal fees including: Lab Fees (Science majors, \$300 per lab)
Student Health Insurance if needed (est. \$675)*

Federal Stafford Loan Program

What is it?

Subsidized

Subsidized Stafford Loans are awarded based on a student's financial need as determined under the FAFSA (Free Application for Federal Student Aid) process. When you receive a subsidized Stafford Loan, the interest is paid by the federal government while you're enrolled in school at least half time, during your grace period after you leave school, and during other authorized periods of deferment.

Unsubsidized

Unsubsidized Stafford Loans are awarded to the student regardless of financial need and interest is charged immediately upon loan disbursement. You have the option either to pay interest during school or to let the interest accrue. Accrued interest is capitalized when you enter repayment.

	First-Year Maximum	Second-Year Maximum	Third-Year Maximum	Fourth-Year Maximum
Dependent Undergraduate Student	\$2,625	\$3,500	\$5,500	\$5,500

Federal Stafford Loans for Undergraduate Students

Disbursements: Two times per year, usually at the beginning of each term. Disbursements will be made through electronic funds transfer (EFT).

Fees: Lenders may charge up to 3% origination fee.

Interest: The federal government pays the accruing interest on a subsidized loan during your in-school, deferment, and grace periods. The interest that accrues on unsubsidized loans during these periods is the responsibility of the borrower. Borrowers may choose to make voluntary interest payments while they are in school or defer the interest payments until they enter repayment. Interest will be billed quarterly, and we recommend that unsubsidized borrowers pay the interest at this time. Otherwise, unpaid interest on unsubsidized loans will be capitalized (added to the principal balance) at the end of the grace period.

Interest Rates: During the in-school, deferment, and grace periods, interest rates for unsubsidized Stafford Loans are equal to the 91 day T-bill rate + 1.7% with an 8.25% cap. During the repayment period, the interest rate is equal to the 91 day T-bill rate +2.3%. Interest rates are adjusted annually on July 1.

Grace Period: A six-month period between graduation or leaving school and the start of your repayment when no loan payments are due.

Term of the Loan: Repayment may extend up to 10 years or up to 30 years (depending upon the amount borrowed) through loan consolidation. A minimum payment of \$50 per month is required while in repayment

Repayment: Repayment begins six months after the student graduates, withdraws or stops attending school at least half time. Under limited circumstances, such as unemployment or postsecondary education, borrowers may request deferral of principal and interest payments.

Know all your repayment options

Repayment terms on a Federal Stafford Loan are, by any standard, considered generous. Borrowers are even given a choice of terms, which include:

Standard repayment – fixed monthly amount (\$50 minimum) for up to 10 years

Graduated repayment – start low, finish higher

Income-Sensitive repayment – adjust your monthly payments based on your current salary

Extended repayment – receive up to 25 years to pay off loans totaling \$30,000 or more

Important Notes Regarding Your Federal Stafford Loan

If you applied for financial aid, your award includes a Federal Stafford Loan. We will certify your Stafford Loan through Nellie Mae after you have submitted your enrollment deposit to the Office of Admissions and your financial aid acceptance form to the Office of Financial Aid. At that time you will be sent information regarding your Master Promissory Note (MPN) with instructions for completion.

Nellie Mae Stafford Loan Benefits:

Established in 1982, Nellie Mae is a leading national provider of federal and private education loans. Nellie Mae has helped millions of undergraduate and graduate students achieve their higher education goals, delivering on our mission to provide superior programs to help students and their families pay for education. We develop and maintain products and services that are accessible, easy to use and cost effective, and we deliver them through a knowledgeable customer support staff.

The Assumption College/Nellie Mae partnership is an important one. As Assumption College's preferred lender, Nellie Mae will provide Assumption students and parents Stafford, PLUS and private loans delivered in an innovative and efficient manner. These programs and services; combined with our dedicated account management team has distinguished Nellie Mae as the trusted partner of Assumption College.

When you borrow a Stafford Loan from Nellie Mae, you save on both the up-front fees as well as during repayment. The reduced up-front fees are listed below:

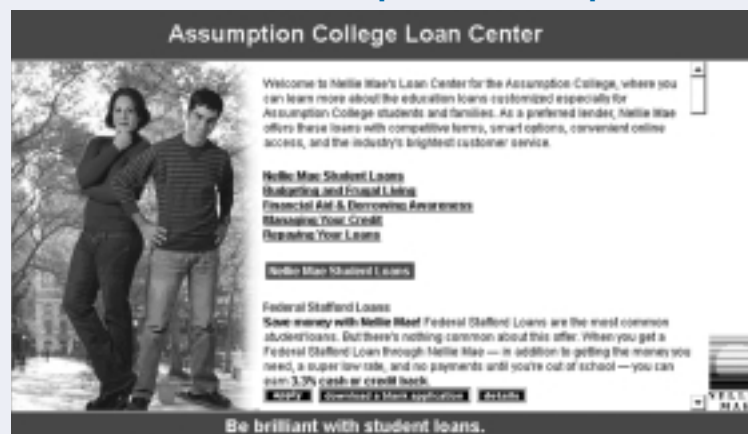
2% Origination fee

1% Guarantee fee

By simply paying your loan on time through the Nellie Mae Cash Back® program you may save hundreds or even thousands of dollars. After making your first 33 monthly payments on time, you'll receive your choice of a check or credit totaling 3.3 percent of your original principal loan balance.

Assumption College Loan Center Website:

<http://www.nelliemae.com/schools/assumption/assumption.html>



Being A Good Borrower Has Its Rewards:

Here's what you can save:

Amount Borrowed				
	\$10,000	\$20,000	\$40,000	\$60,000
Credit Option (includes interest saved)				
	\$592	\$1,185	\$2,370	\$3,555
Check Option				
	\$330	\$660	\$1,320	\$1,980

Nellie Mae Cash Back® is available for Nellie Mae Stafford Loans first disbursed after July 1, 2002 and serviced by Sallie Mae throughout repayment. Savings shown are based on an 8.25%—the maximum statutory interest rate, interest rate and a 10-year repayment term. The current interest rate may be lower. For current interest rate information, go to www.nelliemae.com. To qualify, borrowers must sign up for Manage Your LoansSM and agree to receive account information at a valid e-mail address. Nellie Mae reserves the right to change the terms and conditions for the program without notice.

Stafford Loan Repayment Chart

Use this chart to estimate monthly student loan payments at different principal loan amounts and interest rates. **8.25%**

	Payment	Months	Interest	Payment	Months	Interest	Payment	Months	Interest	Payment	Months	Interest	Payment	Months	Interest	Payment	Months	Interest
\$1,000	\$50	21	\$27	\$50	21	\$37	\$50	21	\$46	\$50	22	\$50	\$50	22	\$66	\$50	22	\$80
\$2,000	\$50	43	\$110	\$50	44	\$150	\$50	44	\$192	\$50	45	\$237	\$50	46	\$284	\$50	47	\$347
\$3,000	\$50	66	\$254	\$50	68	\$353	\$50	70	\$459	\$50	72	\$576	\$50	75	\$703	\$50	78	\$882
\$4,000	\$50	90	\$468	\$50	94	\$660	\$50	98	\$876	\$50	103	\$1,121	\$50	109	\$1,404	\$50	117	\$1,827
\$6,000	\$58	120	\$952	\$61	120	\$1,290	\$64	120	\$1,637	\$67	120	\$1,994	\$70	120	\$2,360	\$74	120	\$2,831
\$8,000	\$77	120	\$1,270	\$81	120	\$1,719	\$85	120	\$2,182	\$89	120	\$2,658	\$93	120	\$3,146	\$98	120	\$3,775
\$10,000	\$97	120	\$1,587	\$101	120	\$2,149	\$106	120	\$2,728	\$111	120	\$3,322	\$116	120	\$3,933	\$123	120	\$4,719
\$20,000	\$193	120	\$3,175	\$202	120	\$4,299	\$212	120	\$5,456	\$222	120	\$6,645	\$232	120	\$7,866	\$245	120	\$9,436
\$30,000	\$290	120	\$4,762	\$304	120	\$6,448	\$318	120	\$8,183	\$333	120	\$9,967	\$348	120	\$11,799	\$368	120	\$14,155

Assumptions:

- Subsidized Federal Stafford Loans with a standard repayment schedule and no borrower benefits applied.
- No payments made.
- No interest capitalization due to interest subsidy.
- Payment and interest amounts rounded to the nearest whole dollar.
- Some payments represent imperfect amortization due to required \$50 minimum payment; final payment will be less than \$50.
- Payments based on 30-day month and 365-day calendar year.

Monthly Payment Plan

The Interest-Free TuitionPay Plan administered through Academic Management Services (AMS), is recommended to help you budget payment of your educational expenses and limit your debt. This plan allows you to spread your balance over ten months for the small fee of \$65.

Some points to consider about the AMS Payment Plan:

- The Plan is flexible, it can be used in conjunction with loans.
- Tuition can be paid annually over ten months, beginning June 1.
- All deposited freshmen will be mailed the AMS Payment Plan application in May.
- Families can also enroll by telephone at (800) 635-0120 or online at www.tuitionpayenroll.com
- If you require additional information, please contact AMS TuitionPay at 800-635-0120 or Assumption College Student Accounts. A–L 508-767-7472
M–Z 508-767-7351
- AMS extended customer service hours: Monday through Friday, from 8:00 a.m. to 10:00 p.m. and Saturday from 9:00 a.m. to 3:00 p.m. (ET)



Academic
Management
Services

www.tuitionpayenroll.com

The MEFA Loan



When parents want to help finance a child's education, the MEFA Loan is an alternative loan program, which offers low fixed and variable interest rate options. MEFA Loans can supplement a Stafford Loan and/or replace all or part of the Expected Family Contribution (EFC). MEFA Loans are not based on need, but on parental creditworthiness. MEFA Loans are disbursed directly to Assumption College in one installment.

Choice of fixed or variable interest rate.

- Low monthly payments
- Deferment option available
- Tax deductible interest savings offered with the Home Equity Option
- Generous loan limits (up to cost of the education minus other financial aid received)
- Origination fee added to the loan at disbursement
- Online application available at www.mefa.org/assumption

Home Equity Option

MEFA loans feature an option to secure your loan to your home equity for a small fee. By securing your MEFA Loan, you may be able to deduct 100% of the interest paid on your MEFA Loan as equity. For more information on MEFA's Home Equity Option, please call (800) 449-MEFA (6332).

Federal Parent Loans for Undergraduate Students (PLUS)

Parent Loans (PLUS) are sponsored by the federal government to provide an alternative means of financing for undergraduate college students. Parents may borrow up to the annual cost of education less any financial aid offered for each dependent student.

Repayment on the PLUS Loan begins approximately 45 to 60 days after disbursement. Currently, the interest rate is 4.17% and will vary yearly with a maximum cap of 9%. Payment of principal can now be delayed until students graduate or fall below half-time status. In this scenario, payment of interest is required.

Parents can start financing their child's education with a PLUS Loan by applying online at www.opennet.salliemae.com and choosing **Nellie Mae 829076** as their lender or call 800.634.9308.

Advantages of the PLUS Loan

- PLUS Loans are not based on income or assets.
- PLUS borrowers do not need collateral.
- PLUS Loans offer a low variable interest rate that will never exceed 9%.
- PLUS Loan interest may be tax deductible.
- Parents may take up to 10 years to repay the loan.
- There is no pre-payment penalty.
- PlusbackSM - receive a credit totaling 2.4% of the original principal loan balance after making the initial 24 scheduled payments on time.

Requirements

- U.S. citizen or permanent resident
- Parent of a full or half-time undergraduate
- No adverse credit

Sample Payments for the PLUS Loan Program

Annual Loan Amount	120 Monthly Payments under PLUS (Approximation)
\$ 5,000	\$ 52.69
\$ 7,500	\$ 79.04
\$10,000	\$105.38
\$15,000	\$158.07
\$20,000	\$210.77
\$25,000	\$263.46
\$30,000	\$316.15

Assumptions: 4.17% interest rate, immediate repayment of principal and interest, total repayment term of 120 months. Monthly payment amount reflects the 2.4% credit. There is a 3% loan origination fee deducted from the loan proceeds. Loan disbursements are electronically sent directly to Assumption College each semester.

Other Loan Options

The Signature Student Loan

Apply online at: www.salliemae.com/signature/nelliemae

Designed to meet the needs of families, the Signature Student Loan is an alternative way to round out your educational funding by making up the difference not covered by other loans you may have. Students must be enrolled at least half time at the College and a creditworthy co-borrower is required for entering freshmen, foreign students, and borrowers with low or no credit.

Creditworthy students may borrow up to the total cost of education less any other financial aid awarded. Any funds granted under the Federal Family Education Loan Program, such as Stafford Loans, will be considered in the total cost. Currently, the minimum loan amount is \$500 per year.

Interest rates (APR) and loan fees are based on your credit history. Applying with a co-borrower may reduce the cost of your loan, as the co-borrower's credit history determines your interest rate and fees.

Premier Signature Student Loan

This loan is available to undergraduate and graduate students who wish to borrow on their own signature. The program offers competitive interest rates, and fees, combined billing and servicing with the borrower's FFELP loan and flexible repayment options.

Premier Signature Student Loan with both student borrower and co-signer credit approved 2005-2006*

Credit	Disbursement Fee	Repayment Fee	Interest Rate	Monthly Payment Amount	APR
Excellent	0%	0%	Prime - 0.50%	\$93	4.60%
Good	0%	3%	Prime + 0%	\$101	5.34%
Fair	0%	3%	Prime + 4.5%	\$153	9.42%

Premier Signature Student Loan with only one credit approved borrower 2005-2006*

Credit	Disbursement Fee	Repayment Fee	Interest Rate	Monthly Payment Amount	APR
Excellent	0%	3%	Prime + 0%	\$101	5.34%
Good	0%	3%	Prime + 1.25%	\$114	6.50%
Fair	0%	3%	Prime + 6%	\$173	10.73%

*APR examples will assume a Prime Rate of 5.25%, a 10,000 loan balance, 45 months in school, 6-month grace period and a 15-year repayment term.

Loan Payment Comparison Chart

Program	What is the interest rate? Are there any fees?	Who is eligible to apply?
Stafford Loan Program <ul style="list-style-type: none"> • Subsidized • Unsubsidized • Administered by Assumption College/Nellie Mae 	<ul style="list-style-type: none"> • Variable rate is set every July 1. The rate will not exceed 8.25%. Interest rate is based on the last sale of 91-day Treasury Bill. 	<ul style="list-style-type: none"> • Student borrowers must be enrolled at least half time at an approved institution • Family must complete the Free Application for Federal Student Aid (FAFSA) in order to apply • Applicants must demonstrate financial need for a subsidized loan • Applicants do not need to demonstrate financial need for unsubsidized loans, but must complete the FAFSA in order to apply
Payment Plan Option <ul style="list-style-type: none"> • Administered by AMS 	<ul style="list-style-type: none"> • No interest charges • \$65 enrollment fee 	Available to students, parents, guardians, family, friends, etc.
Parent Loan for Undergraduate Students (PLUS) <ul style="list-style-type: none"> • Federally insured parent loans obtained from Nellie Mae 	<ul style="list-style-type: none"> • Fee 3%. • Fees deducted from the loan at disbursement • 2004-2005 Interest rate: 4.17% 	<ul style="list-style-type: none"> • Borrower must be parent or legal guardian of a dependent undergraduate • Applicant must be creditworthy
MEFA Loan <ul style="list-style-type: none"> • Administered by the Massachusetts Educational Financing Authority (MEFA) • Available to families of students attending Massachusetts colleges and universities 	Borrowers can choose from 2 options: <ul style="list-style-type: none"> • Variable Rate Option for 04/05: 3.49%. The interest rate is adjusted annually on April 1 and will not exceed 12%, or • Fixed Rate Option: 6.19% fixed for the life of the loan. 	<ul style="list-style-type: none"> • Residents of the states and Canada are eligible to apply • Borrower can be a parent, legal guardian, spouse or any creditworthy party except the student • The student co-signs the loan • Students must be enrolled at least half time in a degree-granting program at a participating Massachusetts college or university • Applicants must be creditworthy and demonstrate ability to repay • No additional financial aid application is required
Signature Loan <ul style="list-style-type: none"> • Alternative student signature loan available from Sallie Mae/Nellie Mae • Variable interest rates 	For both interest rate options: <ul style="list-style-type: none"> • No application fee • Origination fee of 3.75% is added to the loan amount at disbursement 	Available to undergraduate and graduate students who wish to borrow on their own signature

What are the minimum/maximum amounts?	What are the conditions of repayment?	Who to call for information and an application?
<p>Maximum: \$2,625 freshmen \$3,500 sophomores \$5,500 juniors and seniors</p> <p>Independent students or students whose parents have been denied the PLUS Loan, maybe eligible for additional unsubsidized amounts: Up to \$4,000 freshmen and sophomores Up to \$5,500 juniors and seniors</p>	<ul style="list-style-type: none"> • Repayment begins six months after the student graduates, withdraws, or stops attending school at least half time. Under limited circumstances (such as unemployment or continuing postsecondary education), borrowers may request deferral of principal and interest payments • Subsidized: Principal is deferred and interest subsidized by the government, while enrolled at least half time and during other authorized deferment periods • Unsubsidized: Principal is deferred and interest payments may be deferred while the student is enrolled at least half time or during other authorized deferment periods. The borrower is responsible for all interest that accrues 	<ul style="list-style-type: none"> • File the Free Application for Federal Student Aid (FAFSA) • Contact the Office of Financial Aid for additional application requirements and deadlines
<p>Minimum: None Maximum: Up to cost of attendance minus financial aid/scholarship/resources</p>	<p>10 monthly payments, beginning June 1</p>	<ul style="list-style-type: none"> • Contact AMS 1-800-635-0120 or • visit www.tuitionpayenroll.com
<p>Maximum: Up to the cost of attendance minus other financial aid received</p>	<ul style="list-style-type: none"> • Repayment of principal and interest begins immediately • Under limited circumstances (such as unemployment), borrowers may request deferral of principal and interest payments but interest continues to accrue • Repayment period extends up to 10 years 	<ul style="list-style-type: none"> • Apply at www.opennet.salliemae.com or call 800.634.9308 • File the loan application several weeks before funds are needed
<p>Minimum \$2,000 (\$1,500 at public colleges and universities) Maximum: Up to the cost of attendance minus other financial aid received</p>	<ul style="list-style-type: none"> • Repayment begins within 45 days of loan disbursement • Home Equity Option available (With this portion, the interest paid on the loan may be fully deductible for federal tax purposes regardless of income) • Repayment period extends up to 15 years • No prepayment penalty 	<ul style="list-style-type: none"> • Contact the Massachusetts Educational Financing Authority at 1-800-449-MEFA (6332), or • Apply online at www.mefa.org/assumption
<p>Maximum: Up to the cost of attendance minus other financial aid received.</p>	<p>Repayment begins six months after graduation or after the student drops below half time status</p>	<p>Apply online at www.salliemae.com/signature/nelliemae or call 800.695.3317</p>

Glossary of Terms

Capitalization When accrued interest on a student loan is added to the principal balance. Capitalization increases the total amount you will repay on a student loan.

Deadlines are to be watched carefully. There are deadlines for completing your Free Application for Federal Student Aid (FAFSA), accepting your Assumption College financial aid award, paying deposits, bills, etc.

Deferment is a temporary period during which no loan payment is due. Interest payments can be made or if postponed, the interest is capitalized and added on to the principal. Interest on subsidized Stafford and Perkins loans are paid by the government during a deferment.

Disbursement Date is the date(s) on which the loan proceeds are issued by the lender.

Electronic Funds Transfer (EFT) The process of disbursement that sends the loan proceeds electronically to the school's bursar's office. This eliminates the need to come into the office and endorse a check.

Federal Stafford Loan Program The most common federal education loan available today. It is in the student's name and guaranteed by the U.S. Department of Education in cases of default.

Fees The Federal government and guaranty agency charges fees for the Stafford Loan. The origination Fee is 3%. The guarantee or insurance fee can be as high as 1%, but is waived for loans guaranteed by American Student Assistance (ASA).

Financial Need This is the difference between cost of attendance and expected family contribution as determined by the federal government using data collected on the FAFSA.

Grace Period is the span of time allowed before loan principal payments must begin after graduating or leaving school. For Stafford Loans, the grace period is six months.

Guaranty Agency is an entity that insures the guaranteed student loans made by lenders.

Half Time An enrollment status that normally is 6 credit hours for an undergraduate, but is always determined by the school academic policies.

In School The period when a student is enrolled at least half time. No payments are required; however, interest does accumulate for unsubsidized borrowers.

Interest The fee charge to borrow money, which accrues and is paid over the life of the loan.

Interest Rate The rate at which interest is calculated. For example the Stafford Loan uses a 91-day T-bill plus 3.1%. The rate may be either **fixed**, which remains with the life of the loan, or **variable** which fluctuates according to market conditions.

Loan Consolidation is the process of combining individual loans into one new loan to simplify and lower the monthly payment and/or extend the repayment period.

Federal PLUS Loans Federal PLUS Loans are for creditworthy parents who want to borrow for their undergraduate children's education. Students must be enrolled half time. The loan amount can be up to the cost of attendance minus other financial aid received.

Repayment Period The period of time where principal and interest payments are required.

Satisfactory Academic Progress Your eligibility to receive federal student loans is impacted by your progress toward completing your program of study (called satisfactory academic process).

T-bill The 91 day U.S. Treasury Bill, which is the index upon which interest rates for the Stafford Loan are set.

Term of Loan The number of years that a loan is in the repayment period.

Unsubsidized Stafford Loan The non-need based Stafford Loan that requires the student borrower to be responsible for the interest during the in school, grace and deferment periods. Eligibility for this loan is not based on income

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Last Name:

Your counselor is:

A-LAnne Marie Juckins

M-ZJudy Bullens

Student Accounts Office

A-L: 508-767-7472 M-Z: 508-767-7351

Fax: 508-767-7446

Last Name:

Your Student Account Representative is:

A-LDeborah DiGiovanni
508-767-7472

M-ZCatherine Arcure
508-767-7351



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