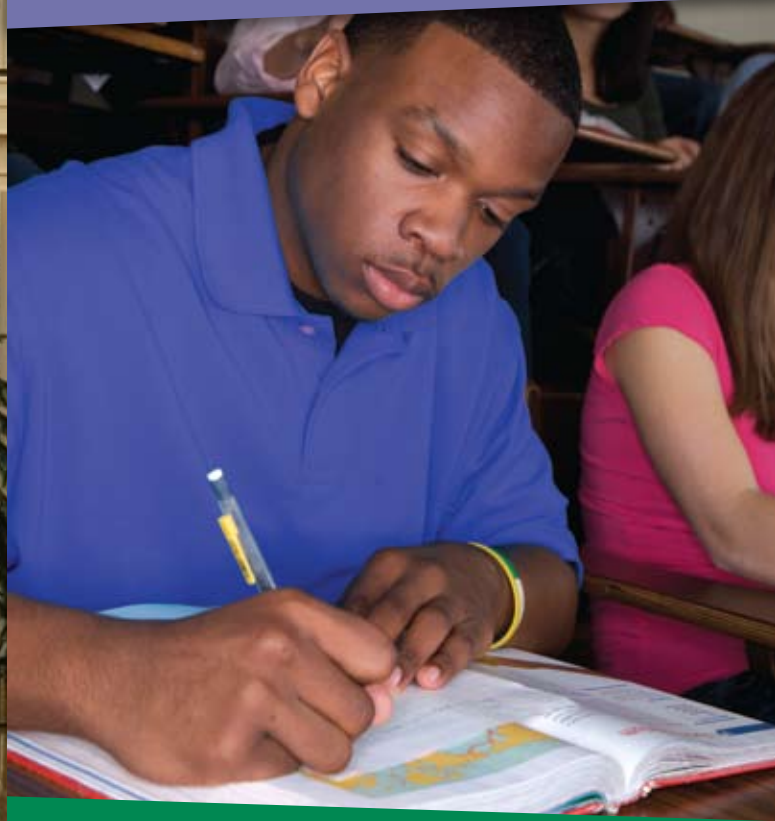


CFI Stafford and PLUS Loans



For Students and Parents

CFNC.org

College 
Foundation
of North Carolina

To speak with a representative about planning, applying,
or paying for college, please call toll free

866.866.CFNC

CFI 
College Foundation, Inc.

Contents

College Foundation, Inc. Is Here To Help.....	1
Why Choose CFI?	2
Stafford Loans For Students	3
Federal Stafford Loan Maximums.....	4-5
PLUS Loans.....	6
How To Apply For CFI Loans.....	6
Achieving Your Education Goals	7
When It's Time For Repayment.....	8
For More Information	8

College Foundation, Inc. Is Here To Help

College Foundation, Inc. (CFI) is a nonprofit corporation that makes education loans exclusively to borrowers with a connection to North Carolina.

The North Carolina Connection is based on at least one of the following: North Carolina residency, attendance at a North Carolina college or university eligible to participate in the Federal Family Education Loan (FFEL) Program, a previous loan with CFI, or participation in North Carolina's 529 Plan.

Loans made by CFI are guaranteed by a state agency, the North Carolina State Education Assistance Authority (SEAA).

More information on the North Carolina Connection and CFI loan programs is available at the College Foundation of North Carolina (CFNC) website, CFNC.org. CFNC is a free information service of the State of North Carolina, provided by CFI, SEAA, and Pathways of North Carolina.



Why Choose CFI?

CFI is a nonprofit corporation that has provided North Carolina students with financial assistance for higher education since 1955. It is the central loan originator and servicer for North Carolina's FFEL Program; funds are provided by SEAA and other investors.

CFI is borrower-focused and easily accessible whenever borrowers have questions or concerns. Students and parents who choose CFI as their lender benefit from loan savings as well as comprehensive information about planning, applying, and paying for college.

Online resources at CFNC.org make learning about and applying for CFI loans fast and easy. Once a borrower applies, his or her individual loan information is available online or by phone. CFI representatives can be reached by toll-free numbers to assist with any questions during the loan application, interim, or repayment periods.

In addition to the Loan Program, CFI also administers North Carolina's National College Savings Program (a 529 college savings plan) and a number of State grants on behalf of SEAA. Just by filling out the Free Application for Federal Student Aid (FAFSA), North Carolina students will automatically be considered for State programs, such as the UNC Need-Based Grant Program, the North Carolina Community College Grant Program, the North Carolina Education Lottery Scholarship Program, the Education Access Rewards North Carolina (EARN) Scholars Fund Program, and the North Carolina Student Incentive Grant Program for North Carolina students with substantial financial need.

Stafford Loans For Students

Students who demonstrate financial need on the FAFSA are eligible for **Subsidized** Stafford Loans. The federal government pays the interest on these loans while the student is in school at least half-time, during a six-month grace period after leaving school, and during authorized periods of deferment. **Unsubsidized** Stafford Loans are available to all students, regardless of financial need. The student is responsible for interest from the time the loan is disbursed. The interest rate on a Stafford Loan is fixed for the life of the loan and is set based on the date the loan is made. This rate may be lowered with the North Carolina Advantage, our borrower benefits.

This table shows the fixed interest rate on **Subsidized** Stafford Loans set by federal statute and based on the date the loan is first disbursed up to 2012. Unsubsidized Stafford Loans are fixed at 6.8% for undergraduate and graduate students.

First Disbursement Date	Fixed Interest Rate	
	Undergraduate	Graduate
July 1, 2006–June 30, 2008	6.8%	6.8%
July 1, 2008–June 30, 2009	6.0%	6.8%
July 1, 2009–June 30, 2010	5.6%	6.8%
July 1, 2010–June 30, 2011	4.5%	6.8%
July 1, 2011–June 30, 2012	3.4%	6.8%
July 1, 2012	6.8%	6.8%

Advantages of CFI Stafford Loans:

- No origination fee*
- No federal default fee
- Low interest rate
- Long repayment period (normally 10 years)
- Development of credit history
- Opportunity to accelerate payments at any time without penalty

Find the latest repayment benefits available on your Stafford Loan at CFNC.org/NCAvantage.

*Origination fees are set by federal statutes, and some lenders deduct fees from loan proceeds.

Federal Stafford Loan Maximums¹

Maximums are set by statute and may be subject to change. Check "Loan Programs" at CFNC.org to verify the maximums currently in effect.

DEPENDENT UNDERGRADUATES²	Subsidized	Total (Subsidized & Unsubsidized) ³
First Year	\$3,500	\$5,500
Second Year	\$4,500	\$6,500
Third Year and Beyond	\$5,500	\$7,500
INDEPENDENT UNDERGRADUATES (and dependents whose parents are unable to borrow under the PLUS program)		
First Year	\$3,500	\$9,500
Second Year	\$4,500	\$10,500
Third Year and Beyond	\$5,500	\$12,500
GRADUATE AND PROFESSIONAL STUDENTS	\$8,500	\$20,500
AGGREGATE LIMITS³		
DEPENDENT UNDERGRADUATES	\$23,000	\$31,000
INDEPENDENT UNDERGRADUATES (and dependents whose parents are unable to borrow under the PLUS program)	\$23,000	\$57,500
GRADUATE AND PROFESSIONAL STUDENTS	\$65,500	\$138,500

¹ Certain health profession students may qualify for higher limits.

² All undergraduate annual loan limits are subject to proration.

³ If the borrower does not have financial need for a Subsidized Federal Stafford Loan using expected family contribution (EFC), or has reached the aggregate limit in Subsidized Federal Stafford Loans, the borrower may receive up to and including this entire amount in Unsubsidized Federal Stafford Loans assuming he or she has remaining eligibility for the loan.



PLUS Loans

PLUS Loans are available to graduate and professional students and to parents of dependent students enrolled in an undergraduate program of study. PLUS Loan applicants must pass a credit check to be eligible. Some colleges or universities may also require the PLUS Loan applicant to complete a FAFSA. The maximum loan amount per academic year is the school's estimated cost of attendance minus other student financial aid. Interest on a PLUS Loan is fixed at 8.5% but may be reduced with CFI PLUS Loan borrower benefits, the North Carolina Advantage. Origination fees are set by federal statute and are deducted from loan proceeds.

Advantages of CFI PLUS Loans:

- No federal default fee
- Additional funds to supplement student's Stafford Loan and any other aid
- Better cash flow during student's college enrollment
- Long repayment period (normally 10 years)
- Low monthly payments
- Option for parents to postpone repayment during student college years with annual forbearance
- Repayment automatically deferred for graduate/professional students attending school at least half-time
- Opportunity to accelerate payments at any time without penalty

Find the latest repayment benefits available on your PLUS Loan at CFNC.org/NCAAdvantage.

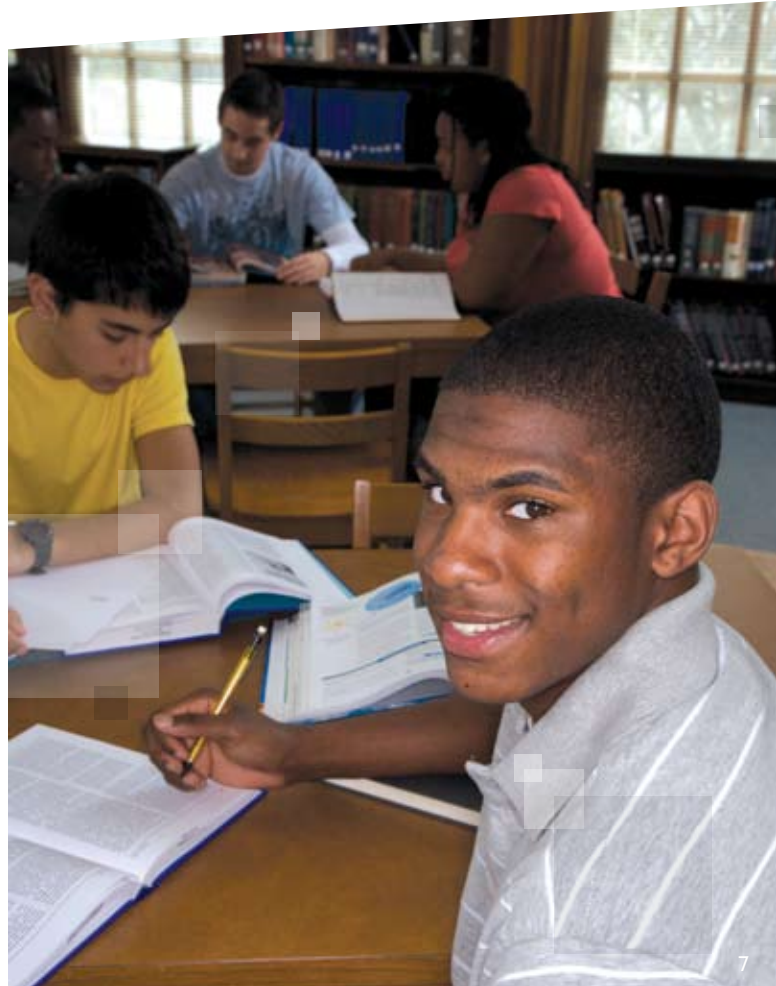
How To Apply For CFI Loans

1. Complete and file the Free Application for Federal Student Aid (FAFSA) when required.
2. If you decide to borrow from CFI, check with your college financial aid office to determine their processing preference.
3. Apply online at CFNC.org or request a paper application/promissory note. The lender code for CFI is 807037.

Achieving Your Education Goals

As you consider your options for attending a college, university, or technical or vocational school:

- Don't let college cost limit your choices. Aim for the college that best meets your individual needs. Visit CFNC.org for information on more than 100 North Carolina colleges and universities.
- School financial aid offices can tell you about all types of financial assistance. Look for scholarships and grants first, then low-cost federal loans. Use higher-cost private loans only as a last resort.
- Borrow wisely. Borrow as little as possible without sacrificing the scope or quality of your education.



When It's Time For Repayment

CFI offers several repayment options for your loans:

- Standard Repayment Plan
- Graduated Repayment Plan
- Income-Sensitive Repayment Plan
- Extended Repayment Plan

When it's time to repay, call or contact CFNC for details on all your repayment possibilities.

For More Information

To request an application, apply online, or talk to one of our specialists, please contact us:

Toll-Free Phone:

866-866-CFNC

Local Phone:

919-821-4771

Fax:

919-821-3139

Website:

CFNC.org

Address:

College Foundation, Inc.

P.O. Box 41966

Raleigh, NC 27629-1966

CFI Lender Code: 807037

All student financial assistance is awarded on a nondiscriminatory basis without regard to race, color, religion, national origin, sex, marital status, disability, sexual orientation, veteran status, age (with the exception that borrowers must be at least 17 to enter into loan contracts under North Carolina law), or any other protected characteristics established by law.