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Iowa Student Loan Program Eases Loan Burden for Iowa Soldiers
Armed Forces Interest Reduction Program Reduces Private Student Loan Interest to 0% for Active Service Members

WEST DES MOINES, IOWA (May 26, 2011) — While Iowa Army National Guard Pfc. Courtney Greif serves in Afghanistan, her mother, Cindy Greif, has been helping her figure out her college expenses.

“College is expensive, but you have to have it,” said Cindy Greif of Grimes. She said Courtney joined the military to take advantage of the benefits the National Guard offers for college expenses, including student loans. “We’re trying to help the best we can while she’s gone.”

A program offered by Iowa Student Loan® is aimed at assisting the Greifs and other military families with this financial battle. For the fourth consecutive year, the Iowa Student Loan Armed Forces Interest Reduction Program is reducing interest to 0% on service members’ private loans owned by Iowa Student Loan. The program recognizes U.S. service members — including Iowa National Guard and Reserve members — who are or have been deployed for wartime efforts since Sept. 11, 2001. Earlier this year, the Iowa Student Loan board of directors voted to extend the program to service members entering federal active duty through Dec. 31, 2011.

“Iowa Student Loan is providing a great benefit to our deployed military men and women by giving them a break on their student loan interest,” said Jodi Tymeson, executive director of the Iowa Department of Veterans Affairs. “I’m sure this reduction is appreciated by them.”

Janice Gifford of Sioux City said she was overjoyed when she received a letter from Iowa Student Loan saying there would be no interest on her son's private student loans. Her son, Iowa Army National Guard Sgt. Jeffrey Gifford, is currently serving as a medic in Afghanistan. "There's so much to do, so much responsibility, for the families while they're gone. It can be overwhelming," Janice Gifford said.

Gifford said her son, like Courtney Greif, joined the military because of the financial assistance it provides for college. "He multiplied what he owed after one year in college by four years and decided he didn't want to start out that far in debt," she said. "Who wants to face \$100,000 in debt when you graduate at 22 or 23 [years old]?"

Iowa Army National Guard Col. Steve Warnstadt, who has served 19 years in the National Guard, said building awareness about programs such as the Armed Forces Interest Reduction Program is critical to relieving some of military families' stress.

"Military families deserve the assistance. The key is helping private organizations get the word out," said Warnstadt, a training coordinator at Western Iowa Tech Community College and former Iowa legislator. "This program by Iowa Student Loan makes it easy for service members to receive the benefit. All they have to do is send in the proper military orders."

Extending the program through the end of this year was one way the Iowa Student Loan board felt it could give back to those who protect us during wartime, said Tim Bottaro, Iowa Student Loan board chairman. "This year marks the 10th anniversary of 9/11, and we appreciate the hardships and sacrifices made by Iowa National Guard and Reserve members since that day," he said.

Both Cindy Greif and Janice Gifford said the Armed Forces Interest Reduction Program has been helpful and that their children will be focused on the future and continuing their postsecondary education when they return from Afghanistan.

Courtney Greif is expected to return home in August in time for the fall term at either Iowa State University or the University of Northern Iowa, her mother said. Before she departed for Afghanistan, Greif had begun working toward her education degree at Morningside College in Sioux City. And Janice Gifford said her son is receiving college credits for some of his service and may continue his education in nursing after returning to Iowa later this summer.

About the Armed Forces Interest Reduction Program

Borrowers deployed under U.S. Code Title 10, Section 12301 or 12302, may apply to have the interest rate on any non-defaulted private loan owned by Iowa Student Loan reduced to 0% for up to 24 months. An authorized representative may apply for the Armed Forces Interest Reduction Program on the borrower's behalf, and a copy of the borrower's military orders is needed to confirm eligibility.

Iowa Student Loan also offers deferment programs for federal and private student loans and honors rate reductions on federal student loans under the Servicemembers Civil Relief Act.

To learn more about the Iowa Student Loan Armed Forces Interest Reduction Program or other military benefits, visit www.studentloan.org or call (800) 243-7552.

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About Iowa Student Loan

Since 1981, Iowa Student Loan, a private, nonprofit organization, has helped Iowa students and families obtain the resources necessary to succeed in postsecondary education. Iowa Student Loan currently helps more than 220,000 customers pay for college. The organization, based in West Des Moines, Iowa, also provides an array of borrower benefits, financial literacy tools and community reinvestment programs, including support for free college planning services for students and their families. For more information about Iowa Student Loan, visit www.studentloan.org.