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NextStudent Scholarship Search Engine

The NextStudent Scholarship Search Engine is one of the largest and well regarded in the industry. A core philosophy at NextStudent is giving students access to find as much “free” money as possible. This commitment began in 1991 with the first version of what is now NextStudent Scholarship Search Engine. Today, the database includes over 2.4 million scholarships with \$3.4 billion in awards coming from 42,000 sources. We are proud to provide a search engine that is free of charge, advertisement-free and completely confidential (we do not sell or disclose the student's information, unless required to do so by law).

Federal Programs

Federal Undergraduate Stafford Loans

Federal Stafford Loans are need-based, federally guaranteed loans. The interest rate now through June 2005 is 2.77% while in school and 3.37% during repayment. Depending on the student's financial need, these loans are either subsidized or unsubsidized by the federal government.

If the student qualifies for a subsidized Stafford Loan, the government will pay the loan's interest while the student is in school, during the six-month grace period following graduation and during any period of deferment.

If the loan is unsubsidized, the student is responsible for paying all interest that accrues on the loan from the time the loan is disbursed until it is paid in full. The student may elect to have the interest capitalized when they begin repayment.

Annual loan limits - Federal Undergraduate Stafford Loan

Dependent Students		Independent Students	
Freshman	\$2,625	Freshman	\$6,625
Sophomore	\$3,500	Sophomore	\$7,500
Junior	\$5,500	Junior	\$10,500
Senior	\$5,500	Senior	\$10,500

Graduate Stafford Loans

Federal Graduate Stafford Loans are need-based, federally guaranteed loans available to help cover the cost of postgraduate education. The interest rate now through June 2005 is 2.77% while in school and 3.37% after graduation. Repayment on loans begins six months after graduation or if your enrollment status drops to less than half time.

Graduate Stafford Loans can be subsidized or unsubsidized by the federal government. If the student qualifies for a subsidized Stafford Loan, the government will pay interest on your loan while you are in school, during the six-month grace period following graduation and during any period of deferment. If the loan is unsubsidized, the interest may be paid quarterly or can be capitalized and become part of your repayment amount.

Annual Loan Limits - Federal Graduate Stafford Loan

Graduate	\$18,500 (\$8,500 subsidized, \$10,000 unsubsidized)
Medical	\$38,500

Federak PLUS Loan (for parents)

The Federal PLUS Loan enables parents with good credit histories to borrow federally guaranteed money to cover the total cost of their children's undergraduate education, including tuition, room and board, supplies, lab expenses, travel, etc. less any other financial aid the student may have received. If your child didn't receive any aid, then the parent can borrow the entire eligible amount for educational expenses. The interest rate on a Federal Plus Loan is 4.17% through June 30, 2005. However, parents may qualify for NextStudent's borrower benefits, such as a 0.25% rate reduction when payments are automatically deducted from a bank account and an additional 2.0% off the rate after 48 months of consecutive on-time payments.

Federal Consolidation Loan

A Federal Consolidation Loan is an outstanding loan-repayment tool. This loan combines multiple outstanding federal loans into one loan with one monthly payment. This allows loan repayment at a low, fixed interest rate with flexible repayment terms. Consolidation can lower monthly payments by up to 58 percent.

The consolidated rate is based on the weighted average of the interest rates of the loans being consolidated rounded up to the nearest 1/8th percent or 8.25 percent rate cap - whichever is less. NextStudent borrowers may also be eligible for a rate discount of 0.25% with automatic debit, and an additional 1.0% reduction after 36 consecutive on-time payments.

Private Loan Programs

Private Loans

If federal aid isn't enough to meet all education financing needs, private loans are a good alternative. NextStudent offers private undergraduate, graduate, continuing education and K-12 loans. These loans are unsecured, credit-based programs available to help students and parents seeking funding for educational purposes. They may be used alone or as supplements to federal grants and loans. The interest rate on NextStudent Private Loans is based on the London Interbank Offered Rate (LIBOR), plus a margin, variable quarterly.

Since eligibility for NextStudent Private Loans is determined by creditworthiness, a borrower cannot be declined for having other financial aid or high income. The NextStudent Private Undergraduate Loan allows primary applicants who fall short of credit requirements to use students, parents, or other adult sponsors to act as co-applicants. International students may apply using a qualified co-applicant.

Generous borrowing limits allow borrowers to obtain between \$1,500 and \$30,000 annually, with an aggregate-borrowing limit of up to \$130,000.

NextStudent Custom Consolidation Loan

The NextStudent Custom Consolidation Loan brings the benefits of Federal Consolidation to borrowers with private student loans. Custom consolidation helps save money and makes repayment easier to manage by bundling all private education loans into a single, new loan at a lower rate of interest.

Borrowers who've already consolidated their federal education loans at a rate of 8.25% or higher can take advantage of NextStudent Custom Consolidation, too, to refinance their loans again, or they can combine both federal consolidation loan and private education loans into a single, new loan with one monthly payment.

College Savings Plans

College savings plans, such as 529 savings plans, allow families to either prepay a student's tuition or contribute to a savings account established to pay the student's qualified higher education expenses. Both prepaid tuition plans and savings account plans are generally established by each state.

Prepaid tuition plans: Cash contributions are made to a qualified trust that invests the funds to offset increasing future costs of tuition. Families may purchase a number of course units or academic periods that are redeemed when the beneficiary is old enough to attend college.

Higher education savings plans: Cash contributions are made to an account established for a named beneficiary. A mutual fund typically manages the investments. The amount available for higher education expenses depends on the growth in the account during the period between contribution and withdrawal.