

Is the FEL right for us?

Paying for education is an investment in a person's future. When grants, scholarships, and savings don't cover related costs, education loans – taken out by the student or a family member – can be a good choice when a smart career plan is in place and you keep costs low.

- ▶ Federal Direct student loans are the lowest-cost education loans.
- ▶ After Federal Direct student loans, compare other top options – ACPE's state education loans, such as the Alaska Supplemental Education Loan (ASEL) and the FEL, and federal parent loans.
- ▶ Some private, for-profit lenders offer alternative education loans. Be wary of: 1) teaser interest rates that can vary (meaning they change – and can go up significantly), 2) interest that is frequently capitalized (added to the balance of the loan), or 3) fees that may greatly increase borrowing costs.

Know Your Financial Aid

All students should file the Free Application for Federal Student Aid (FAFSA) as early as possible after January 1 of each year they plan to enroll in school. Many younger students are required to provide parental information on the FAFSA.

- ▶ Students with qualifying financial need may be eligible for federal or state grant aid – free money that does not have to be paid back.
- ▶ The FAFSA is also the application for programs that do not require financial need, such as the Alaska Performance Scholarship (for recent Alaska high school graduates).

**Need Help?
We're here for you.**

Talk with one of our Alaska-based customer service specialists

800.441.2962
907.465.2962
(in Juneau)
907.465.3143 TTY
ACPE@alaska.gov

Like Maureen



Maureen, with ACPE for 16 years

ProTip

Sometimes, rather than taking out a loan in your name, you can help your student access funds by cosigning on a student loan.

If you're considering cosigning, make sure you understand what it means: If the borrower does not repay the loan, you will have to. Be sure you can afford to repay the loan and that you are willing to accept this responsibility.



"I just paid off my student loan from ACPE. I want to run in and hug all of you and thank you for helping me finance my education!"

-Dani Bickford

Dani was raised in Fairbanks, and is a UAF graduate

/followacpe

acpe.alaska.gov

5/2015

Alaska Family Education Loan

0% Origination Fee • ^{new!} up to \$14,000/year • 6.25% APR
(undergrad)



Alaska Commission on Postsecondary Education

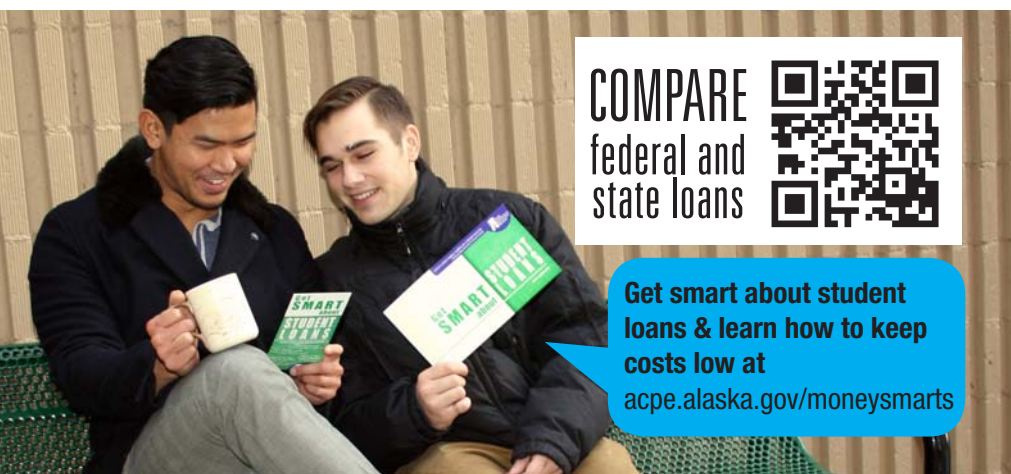
Alaska Student Loan Corporation

acpe.alaska.gov

COMPARE
federal and state loans



Get smart about student loans & learn how to keep costs low at acpe.alaska.gov/moneysmarts



THE FAMILY EDUCATION LOAN (FEL) is a state education loan that allows you to help cover a family member's education costs. FELs are similar to federal parent PLUS loans but can cost less. A spouse, parent, step-parent, foster parent or grandparent can take out a FEL on behalf of the student.

The Loan Application & Approval Process

1. Create an account at acpe.alaska.gov, where you can access the application and get an instant credit check. If needed, you may add a cosigner.
2. Forward a signature request to the student. The student is also required to sign the FEL application, but cannot access your credit information.
3. ACPE sends you a loan approval disclosure stating the exact amount of your loan.
4. Log back into your account and accept the loan.
5. Your funds are sent to your school based on its financial aid disbursement dates (but no earlier than 10 days after you accept it).

Throughout, be sure your student works with the school's financial aid office to ensure all school financial aid steps are completed.

acpe.alaska.gov

Use in Alaska or Outside

Eligibility Basics: The borrower and student must:

Be Alaska residents · Be U.S. citizens or eligible non-citizens, compliant with Selective Service requirements · Be in good standing on any prior Alaska education loan · Be current with any child support obligations.

The borrower must also not have an adverse credit history, or have a credit-worthy cosigner (minimum credit score not required)

The student must also: Be a spouse, child, step child, foster child, or grandchild of the borrower · Attend an eligible postsecondary institution · Enroll full time in a career/technical certificate or degree-seeking program of study · Be a student in academic good standing, as defined by the institution you attend

The requirements of AS 14.43.750 also apply.



Alaska Commission on Postsecondary Education & Alaska Student Loan Corporation

The Alaska Commission on Postsecondary Education (ACPE) - funded by the Alaska Student Loan Corporation (ASLC) - promotes access to and success in education and career training beyond high school. ACPE is a state agency not a for-profit lender. We are here to help you reach your education goals.

What you can expect from us:

- ▶ The interest rate advertised is the interest rate you will be offered, no surprises.
- ▶ The interest rate is fixed, so it will not be raised down the road.
- ▶ Our rates are the lowest allowable by regulations and whenever we have the capacity to do more to lower costs - we do.
- ▶ 24-hour online account access and a team of Alaskan customer service agents who are experts in Alaskans' student loan needs.
- ▶ We tell you exactly what the credit requirements are - up front. You may qualify without a credit history – you just cannot have adverse credit, such as records of delinquencies.

FEL Costs & Benefits

2015 -2016 School Year

Fixed Interest Rate	6.25%[‡] (6.25 APR)[*]
Borrower Benefits⁺	
Online auto-pay	-0.25%
Lowest Rate Equivalent	6.00%
Origination Fee	0%

Loan Limits[†]

New! Higher Limits!

Program	On Time (30 credits/year)	Full Time (24 credits/year)	Half Time (12 credits/year)	Aggregate
Undergraduate	\$14,000	\$12,500	\$7,500	\$56,000
Graduate	N/A	\$15,000	\$7,500	\$60,000
Career Training (Vocational)	up to \$10,000 (for programs 180+ hours over 6+ weeks)			\$56,000
Combined				\$87,000

Repayment

Repayment begins after the loan is fully disbursed – the first payment is scheduled within 30 days of final disbursement.



Alaska Proud!

[‡] The rate is set by the Alaska Student Loan Corporation Board.

^{*} APR = Annual Percentage Rate. The APR example assumes a principal loan amount of \$10,000, and a repayment term of 10 years, with repayment beginning immediately after the loan is fully disbursed. The APR does not include the effects of borrower benefits.

⁺ State loan (ASEL and FEL) Borrower Benefits are applied as credits or rate reductions to reduce the borrower-paid costs whenever the Alaska Student Loan Corporation has the capacity to do so. Benefits are variable, meaning that a new benefits package may be offered each program year. Delinquent or default borrowers may forfeit some or all benefits.

[†] Loan Maximums are annual.