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Dear Member:

As of July 1st, Your Student Loan Rate Could Go Up.

Here's your chance to lock in a low rate now!

Rates are fluctuating and student loans are no exception. Before you know it, you could be facing a rate hike and higher payments. But if you act now, you can keep your payments down by locking in a low fixed interest rate.

Every July 1st, the federal government sets the interest rate on all existing federal student loans. Since 1998, rates have been at a historic low, and many smart borrowers have chosen to consolidate their loans and lock into a low fixed rate.

But the July 1st deadline will be here before you know it and with the current economic climate, your student loan rate could face a significant jump.

Don't let this low rate opportunity pass you by!

Your student loan rates could go up because of Federal Reserve rate hikes, and because the 91-day Treasury Bill rate, which is used to calculate rates for federal student loans, is about 1.5 percentage points higher than it was when the student loan rates were last set.

In fact, if we apply the same calculation to today's Treasury Bill, the minimum rate could be as high as 3.87%. Fortunately, you can still take advantage of the current low rates by consolidating your student loans with Mission Federal Credit Union.

Low rates, low payments – just what you expect from Mission Fed.

In addition to offering you a low fixed interest rate, we may be able to lower your monthly payment. And best of all, Mission Fed offers incentives that can lower your interest rate by as much as 1.25%. Imagine, an interest rate as low as 1.62%**.

For example:

Loan Amount	Interest Rate	Interest Paid
\$20,000.00	3.87%	\$8,759.00
\$20,000.00	2.77%	\$6,071.00
\$20,000.00	1.62%	\$3,428.00
Total Savings (3.87% vs. 1.62%)		

with extended repayment terms = 20 years

Want to save time? Call us at 800-500-MFCU (6328) and apply over the phone *in minutes*.

Or if you prefer, simply visit us online at <https://www.hasslefreestudentloans.org/borrowers/download.asp> to download the forms.

Thank you,

Student Loan Dept.

P.S. Rates will change before you know it! Don't miss out on this great opportunity!

**For qualifying borrowers.

*Future interest-rate calculations are based on current formula plus 91-day Treasury Bill, as of 3/9/05, to determine interest rates and are purely speculative. Actual rates set are yet undetermined.