

**St. Olaf Educational Partnership (STEP) Loan  
Changes for 2009-2010  
July 2009**

**Interest Subsidy Grant for STEP Loans borrowed in 2006-2007, 2007-2008, and/or 2008-2009**

- On July 24, 2009, the annual payment for interest accrued during 2008-2009 was sent to Total Higher Education (T.H.E.), St. Olaf's lender for the STEP Loan program. This interest payment will be reflected on your T.H.E. account accordingly.
- *After July 24, St. Olaf will not send any additional interest payments to the servicer(s) of your STEP Loans.*
- For interest that will accrue in 2009-2010, we will add a "STEP Loan Subsidy" grant to your son/daughter's 2009-2010 financial aid award, representing the amount of interest that will accrue on your existing loan balance as of June 30, 2009. When we send the revised financial aid award replacing the STEP Loan with the Direct PLUS Loan, it will include this additional grant. For the Class of 2011, we will include a similar grant when we renew the financial aid award for 2010-2011.

**Servicing changes for STEP Loans borrowed in 2008-2009**

- The loan you borrowed in 2008-2009 through T.H.E. is being transferred to the U.S. Department of Education. This is because T.H.E., like most other FFEL lenders, used the Department of Education's ECASLA program last summer to secure funding for the loans. Loans borrowed prior to 2008-2009 will be serviced through Great Lakes Higher Education Corporation (GLHEC) and T.H.E. Loans made in 2008-2009 will be serviced through a different, yet to be determined, servicing organization. Great Lakes will communicate with you later this summer regarding this transition.

If you have questions, please contact the St. Olaf Financial Aid Office at (507) 786-3019 or toll-free at (877) 235-8386.