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**Department of Education sets
Deadline for In-School
Student Loan Consolidations**

May 11, 2006 (Tampa, Florida) The Department of Education has announced that, beginning July 1, 2006, students will not be able to consolidate their Federal Student Loans while they are still enrolled in school. This regulation change means that all students that do not consolidate their Federal Student Loans by July 1st will see their loan interest rates increase from 4.7% to 6.8%. This rate increase means that, on a loan balance of \$30,000, students will pay over \$10,000 more in interest payments over the life of the loan if they do not consolidate by July 1, 2006.

“In the past, students used in-school consolidation as a way to begin their post-college years on firm financial footing,” said Michael Babb, President of Academic Financial Solutions. “This new change in regulation restricts the student’s right to consolidate their loans, which will have a severe, negative financial impact on all borrowers that don’t consolidate before the July 1st deadline.”

Babb and Academic Financial Solutions have three basic rules they recommend for students and their parents to follow regarding paying off Federal Student Loans:

- 1) **Do Your Research** – not all consolidation plans are created equal. Make sure you receive all the interest rate reduction discounts you are eligible for and you maintain your in-school repayment status until you graduate.
- 2) **Don’t Take Your Eyes off the Calendar** – with a deadline of July 1st, all student loan consolidation documents must be received no later than midnight, June 30, 2006.
- 3) **Consolidate via E-Signature** – Consolidate with a Company that has a secure e-Signature program. e-Signature cuts through the red tape and allows you to complete the consolidation process within a few minutes.

“Our research shows that students often take the path of least resistance when it comes to paying for college,” added Babb. “Our goal at Academic Financial Solutions is to help all students and their parents understand that spending a few minutes thinking about student loans today will save thousands of dollars when the loans are paid back tomorrow.”

Based in Tampa, Florida, Academic Financial Solutions has saved Federal Student Loan holders millions of dollars by reducing their payments through consolidation. For more information on how to consolidate Student Loan debt, call Toll Free 1-866-416-6333 or visit their Website at www.AcademicFinancial.com.