

Dear Students,

I'm sure many of you have followed recent debates in Congress over health care and other important issues. You may not know that last week Congress voted to end the current Federal Family Education Loan Program (FFELP) and to require all borrowers to move to the William D. Ford Federal Direct Loan Program for Stafford and PLUS loans by July 1, 2010.

I want to assure you that Kendall College has been aware of this impending change for some time and has taken steps to ensure that you will continue to receive financial support for your education through Direct Lending. **In no way will this change jeopardize your ability to maintain your enrollment at Kendall.** The process to obtain Direct Loans remains unchanged from FFEL loans in that students must sign a promissory note and complete an entrance interview. The attached flyer supplies specific information about the process and the financial aid department will contact you to discuss any steps you should take.

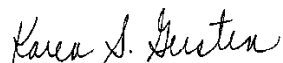
Direct Lending offers you the same benefits of the FFEL program with some additional benefits including the following:

- All Direct Loan programs are funded by the Federal Government; multiple lenders have been eliminated.
- The Federal Government will not sell Direct Loans.
- Both FFEL and Direct loans can be consolidated so you can track them through one lender.
- An income-based repayment option lets you pay back your loan based on your income.
- The Direct PLUS Loan has a lower interest rate than the FFELP PLUS loan. Current rates are 7.9% for Direct PLUS rather than 8.5% for FFELP PLUS.

You can get additional information about the Direct Loan programs at <http://www.StudentLoans.gov>. As always, the Financial Aid office at Kendall will provide all the help and guidance you need as you plan how to finance your education.

Please read the attached flyer; it contains specific information about the Direct Loan program. Please contact your Financial Aid advisor with any questions or concerns. We all are here to help you stay in school and receive the Kendall College diploma you want.

Best Regards,



Dr. Karen Gersten, Ed.D.
Interim President, Kendall College
900 N. North Branch Street
Chicago, IL 60642
312.752.2184 office