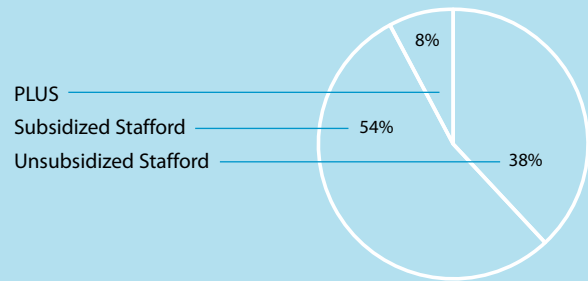


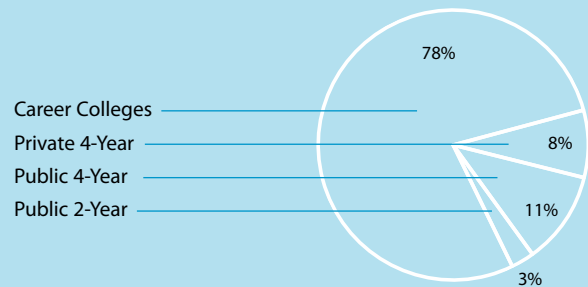
USA FUNDS' MARYLAND LOAN VOLUME

By Loan Type



USA FUNDS' MARYLAND LOAN VOLUME

By Institution Type



USA Funds® is the nation's leading education loan guarantor. A nonprofit corporation, USA Funds works to enhance postsecondary education preparedness, access and success by providing and supporting financial and other valued services.



USA Funds® has served Maryland as its designated guarantor of federal student loans since 1995. In its efforts to enhance higher education preparedness, access and success, USA Funds partners with schools, lenders, students, parents and community organizations.

During the fiscal year ending Sept. 30, 2008, USA Funds guaranteed more than \$728.5 million in new education loans to more than 47,000 Maryland borrowers — including Federal Stafford loans for more than 44,000 students and Federal PLUS loans for nearly 4,000 parents and students. USA Funds served 50 postsecondary institutions in Maryland.

USA Funds works with Maryland schools and lenders to help reduce student loan default rates. The most recent default measure, the 2006 cohort default rate, was 4.96 percent for Maryland borrowers with USA Funds-guaranteed loans, compared with the default rate of 5.5 percent recorded among all Maryland student loan borrowers. The cohort default rate measures the percentage of students who entered repayment on their education loans during a given federal fiscal year and defaulted on their loans prior to the end of the following fiscal year.

DEBT MANAGEMENT INITIATIVES

To partner with postsecondary institutions in their debt management efforts, USA Funds in 2008 provided a broad spectrum of services in Maryland, including the following:

- ◇ USA Funds' debt management consultants assisted 16 Maryland schools in their work to curb student loan defaults.
 - ◇ To equip postsecondary institutions to teach their students to manage their time and money wisely while they are on campus and after graduation, USA Funds offers the USA Funds Life Skills® financial literacy course. Approximately nine schools in Maryland have implemented USA Funds Life Skills, with four schools in the state ordering the program's materials in 2008.
 - ◇ The year saw 13,955 borrower counseling sessions conducted through USA Funds Loan Counselor® in Maryland. The suite of online products helps schools fulfill federal requirements for student loan counseling and simplify entrance and exit counseling. Two Maryland schools offer entrance counseling for their graduate and professional students through USA Funds Grad GuideSM, which USA Funds introduced in 2008.
- USA Funds Stafford Loan GuideSM, which provides entrance counseling for undergraduate students, is in place at four Maryland schools. USA Funds Student Loan Transition GuideSM offers undergraduate exit counseling at four schools. USA Funds also recently introduced the exit counseling version of USA Funds Grad Guide.
- ◇ Eleven schools in Maryland use USA Funds Debt Manager®, a Web-based tool that helps schools stay in contact with student loan borrowers during school and after graduation.

USA Funds also supports a variety of other programs for Maryland schools, lenders, students and families, and their communities. The following are some highlights from 2008:

MARYLAND ADVISORY COUNCIL

To ensure that its services meet the needs of postsecondary education in Maryland, USA Funds receives guidance from a Maryland financial aid advisory council. The council includes financial aid administrators for Maryland colleges and universities, representatives of lending institutions and officials of the Maryland Office of Student Financial Assistance.

STAFF TRAINING OPPORTUNITIES

USA Funds helps colleges and lenders comply with program regulations and keeps them informed of policy developments and improved services through a wide array of online and in-person training opportunities, including free workshops in Maryland. During fiscal 2008 USA Funds conducted four financial aid workshops, in Baltimore and College Park, for 118 participants. Financial aid administrators and lenders from Maryland recorded 210 learner sessions through USA Funds University online courses during 2008.

SCHOLARSHIP FUNDING

The USA Funds Access to Education Scholarships® program awarded 323 new and renewal scholarships totaling \$483,000 to deserving college-bound students in Maryland for the 2008–2009 academic year. These scholarships assist students in financial need — particularly those who are either members of ethnic minority groups or are physically disabled — as they finance their higher education.

EARLY AWARENESS PROGRAMS

USA Funds distributed 17 sets of USA Funds Unlock the Future® and USA Funds Consejos materials to Maryland schools and organizations in 2008. The programs promote early awareness of the benefits of higher education. USA Funds Unlock the Future reached an estimated 880 Maryland students and family members. USA Funds Consejos, geared toward Latino audiences, reached 480 Maryland students and family members.

Maryland schools and community- and faith-based organizations may order these materials at no cost.

USA FUNDS LOAN COMPARISON

USA Funds partnered with SimpleTuition, an independent loan comparison tool, to introduce USA Funds Loan Comparison. The online program simplifies the process of selecting an education loan for students and parents.

COLLEGE PLANNING WEB SITES

Online college planning resources supported by USA Funds — including those on USA Funds' Web site, www.usafunds.org — received approximately 33,000 visits in 2008. Through these resources USA Funds offers college planning information specific to Maryland.

COLLEGE GOAL SUNDAY

USA Funds supported the seventh annual College Goal Sunday. The event provides high school seniors and their parents free help in completing the application necessary to qualify for federal aid for college. During 2008, 1,124 students and parents in Maryland, Delaware and Washington, D.C., received assistance at 19 College Goal Sunday sites.

USA Funds also sponsored for the seventh consecutive year the "USA Funds Countdown to College™" supplement. Forty-one Maryland high schools distributed the publication to 6,620 of their seniors. "USA Funds Countdown to College" promotes College Goal Sunday and provides higher education admissions and financial aid information.

USA FUNDS RETENTION INITIATIVE

A 2008 grant from USA Funds is helping the Council for Opportunity in Education and the Pell Institute for the Study of Opportunity in Higher Education in their efforts to increase retention and graduation rates at Maryland colleges and universities. The USA Funds Retention Initiative aims to provide schools with tools to better serve low-income students.

SUPPORT FOR MHEC

Grants from USA Funds are supporting Maryland Higher Education Commission materials and outreach to students and families. USA Funds supports the new "Questions About College" booklet, to help families better understand the process of applying for and completing postsecondary education. More than 75,000 Maryland high school juniors received the publication in 2008. USA Funds also is supporting the MHEC's outreach initiatives, which include work to educate Spanish-speaking populations about high school coursework to take to prepare for college.

Additionally, USA Funds supported maintenance of a Web-based calculator that permits visitors to the MHEC site — www.MDGo4it.org — to determine their Expected Family Contribution and eligibility for need-based financial aid.

25 LARGEST MARYLAND SCHOOLS

By Loan Volume
Served by USA Funds

Walden University
University of Maryland Baltimore County
University of Maryland Baltimore
Strayer University
University of Maryland College Park
ITT Technical Institute
Lincoln Technical Institute-Columbia
Washington College
Montgomery College
Mount St. Mary's University
Sojourner-Douglass College
Morgan State University
Goucher College
Columbia Union College
Baltimore International College
North American Trade Schools
Hagerstown Community College
Prince George's Community College
Anne Arundel Community College
McDaniel College
Capitol College
Johns Hopkins University
University of Baltimore
Washington Bible College
Tai Sophia Institute

10 LARGEST LENDERS

By Loan Volume
Served by USA Funds in Maryland

Nellie Mae
Walden University
Sallie Mae Education Trust
Wachovia Education Finance
AMS Education Loan Trust
Wells Fargo Bank
Bank of America
Citibank Student Loans
Edamerica
SunTrust Bank