

# For Immediate Release

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## Despite frozen credit markets, RI Student Loan Authority raises ***\$100 million*** for student loans

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*Warwick, RI.* The non-profit Rhode Island Student Loan Authority (RISLA) is pleased to announce that despite frozen credit markets, they have just issued \$100 million in variable rate bonds. Charles P. Kelley, Executive Director of RISLA stated “Everyone at RISLA has been putting in long hours to make sure that there is sufficient funding for our students. This \$100 million will help approximately 18,000 students pay for the rising costs of higher education with low cost federally guaranteed Stafford and PLUS loans.”

Rhode Island General Treasurer, Frank T. Caprio, who is a Board member of RISLA, said in a statement that “Our department has been very proactive in making sure we stay out in front of changing conditions in the financial markets. It is critical that we continue to maintain the student loan program so that Rhode Island’s college students have every opportunity to attend the school of their choice and pursue their academic dreams in their chosen fields of study. This bond sale will allow us to continue to do that.”

In May of this year the RI Student Loan Authority was the first in the country to be able to issue bonds to finance private student loans since September, 2007. Then in August, RISLA issued \$100 million in AAA rated bonds, \$65 million of which were to refinance existing bonds. The refinancing is expected to save RISLA more than \$1,000,000 per year.

Dr. Anthony Santoro, RISLA’s Chairman stated “I wish to especially thank our underwriters, Banc of America Securities LLC, and their counsel Mr. David Field, Esq. of Chapman and Cutler for their professionalism and focus in partnering with RISLA to execute this transaction at a time when most experts said it could not be done.”

The bonds are rated AAA by the Fitch rating agency and supported by a letter of credit from Dexia Credit Local, a leading French bank. RISLA’s bonds are not backed by or an obligation of the state of Rhode Island.

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