



COLLEGE PLANNING



Online Accounts: A Rewarding Way To Save For College

(NAPSA)—A new online savings program may be good news for parents who are looking for ways to save for their child's college education.

New FDIC-insured, high-yield, online savings accounts and certificates of deposit from Sallie Mae are designed to offer competitive interest rates, no monthly fees, no minimums and ways to earn extra through the rewards program called Upromise.

High-Yield Savings

The high-yield savings account currently offers rates five times the national average, according to Bankrate.com's October 2009 Passbook & Statement Savings Study—and an easy-to-get-started, no-minimum balance requirement.

The new certificates of deposit currently offer competitive interest rates, no minimum balance or monthly fees, and terms of 12 months, 36 months or 60 months.

According to Mark Moroz, who helped create Sallie Mae's new savings products, "Whether you're saving for college or to buy your first home, our new savings options will help you reach your goals faster."

Saving By Spending

Thanks to an innovative rewards program, it may even be possible to spend your way to supplement your child's college savings.

Customers can sign up for Sallie Mae's free Upromise rewards program that enables members to earn money back on eligible purchases from hundreds of grocery stores, online retailers, restaurants and gas stations.

Upromise balances of \$10 or more may be automatically transferred into the high-yield savings account, and customers with a savings account balance of \$5,000 or more or a monthly automated savings plan of \$25 or more may qualify for an annual match of 10 percent of their prior year's Upromise rewards.

The 1-2-3 Approach

Sallie Mae recommends students follow a "1-2-3 approach" to paying for college: First, use free money by filling out the FAFSA to access need-based grants and research and apply for scholarships, supplemented with current income and savings, such as the high-yield savings account, certificates of deposit and 529 plans by Sallie Mae.

Second, explore federal loans. Third, fill any gap by using a pay-interest-as-you-go private education loan.

To open an account or learn more, visit the Web site at www.salliemae.com/savings.