

Federal loans that you borrowed for your higher education are often the key to a successful future, but loans also are a serious obligation with specific responsibilities.

# Exit Counseling

## IMPORTANT

REMEMBER THAT LOANS MUST BE REPAYED EVEN IF YOU DO NOT COMPLETE YOUR EDUCATION, DID NOT COMPLETE THE PROGRAM WITHIN THE REGULAR COMPLETION TIME FOR THE PROGRAM, ARE NOT EMPLOYED UPON COMPLETION OF YOUR STUDIES, OR FEEL THAT THE EDUCATION YOU RECEIVED DID NOT MEET YOUR EXPECTATIONS.

## Types of Loans | Types of federal loans you may have borrowed:

### SUBSIDIZED FEDERAL STAFFORD LOAN

- **Interest on the loan** was paid by the federal government while you were in school and will be paid by the federal government during your grace period, and during authorized periods of deferment. You are responsible for paying the interest that accrues on the loan during repayment and during periods of forbearance. If interest payments are not made during periods of forbearance, any unpaid interest will be capitalized and increase the principal balance of your loan.
- **The interest rate is fixed at 6.8%.** However, the interest rate on subsidized Stafford Loans for undergraduate students is fixed as follows:
  - » If the first disbursement is on or after **July 1, 2008** and before **July 1, 2009**, the rate is **6.0%**.
  - » If the first disbursement is on or after **July 1, 2009** and before **July 1, 2010**, the rate is **5.6%**.
  - » If the first disbursement is on or after **July 1, 2010** and before **July 1, 2011**, the rate is **4.5%**.
  - » If the first disbursement is on or after **July 1, 2011** and before **July 1, 2012**, the rate is **3.4%**.
- **Repayment of principal and interest begins six months after you graduate** or are no longer enrolled on at least a half-time basis.

### UNSUBSIDIZED FEDERAL STAFFORD LOAN

- **You are responsible for paying the interest** that accrues on the loan from the date of disbursement.
- **The interest rate is fixed at 6.8%.**
- **Repayment of principal and interest begins six months after you graduate** or are no longer enrolled on at least a half-time basis. If interest payments are not made during the grace period or during periods of deferment or forbearance, any unpaid interest will be capitalized and increase the principal balance of the loan.

### GRAD PLUS LOAN (PLUS Loan for Graduate/Professional Students)

- **You are responsible for paying the interest** on your loan from the date of disbursement.
- **The interest rate is fixed at 8.5%.**
- **Repayment of principal and interest begins no later than 60 days after the date the loan is fully disbursed.** However, you may have deferred your Grad PLUS Loan during the time period that you were enrolled at least half-time at an eligible school and for six months after you graduate or cease to be enrolled at least half-time. If you did not pay the interest that accrued during your in-school deferment and if you do not pay the interest that accrues during your grace period, the accrued interest is capitalized and increases the principal balance of your loan.

**MASTER PROMISSORY NOTE (MPN) | A Master Promissory Note (MPN) is a binding legal document that you signed and by which you agree to repay your student loan(s).** The MPN and the Borrower's Rights and Responsibilities Statement list the conditions of borrowing and the terms of repayment. It is important that you thoroughly read and save this document for loan repayment.



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## In accordance with the Borrower's Rights and Responsibilities Statement,

### YOU MUST NOTIFY YOUR LENDER IF YOU:

- Change your name, address, telephone number, Social Security Number or email address.
- Your employer or your employer's address or telephone number changes.
- Want to apply for a deferment or forbearance.
- Have difficulty repaying a loan(s).
- Change graduation dates.
- Enroll less than half-time.
- Withdraw from school.
- Transfer to a different school.

## In accordance with the Borrower's Rights and Responsibilities Statement,

### YOU HAVE THE RIGHT TO:

- Receive a **disclosure statement in writing or electronically, before repayment, with information that includes the following:**
  - » The name and address of your lender or loan servicer
  - » The date on which repayment begins or the deferment period ends
  - » The estimated balance that you owe on your loan(s) including, if applicable, the estimated amount of interest to be capitalized
  - » The stated interest rate on your loan(s) or a combined interest rate for your loans
  - » Fees that may accrue or be charged during the repayment period
  - » A description of all repayment plans available, the option of changing from one plan to another during repayment, the right to prepay all or part of the loan(s) without penalty
  - » A description of the options by which default may be avoided, including any relevant fees
- Receive **disclosures during repayment with pertinent information regarding your loan(s)** for which a first payment is due on or after July 1, 2009.
- Receive, when you pay a loan in full, the original or true and exact copy of the note, or **notification that the loan is paid in full.**
- Receive **notification of the name, address, and telephone number of your new lender/loan servicer** when the address to which you make your payments has changed as a result of a loan sale or transfer. The sale or transfer of your loan(s) does not affect your rights and responsibilities with regard to the loan(s).

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**LOAN SERVICER** | An organization that is hired by a lender or loan holder to administer its student loan portfolio. These administrative duties may include: disbursing loan funds, processing payments, processing deferment and forbearance requests, responding to borrower inquiries and collecting delinquent loans.

**REPAYMENT BENEFITS** | Some lenders offer an **interest rate reduction** if monthly payments are automatically deducted from your checking or savings account. Check with your lender for more information on repayment benefits.

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## Loan Repayment Options for Federal Stafford and Grad PLUS Loans

To make it easier to repay your loan, investigate all the repayment options that your lender or servicer offers.

### THESE OPTIONS INCLUDE:

➔ **PREPAYMENT** | You may prepay all or part of your loan(s) at any time without a penalty. You may pay each loan on a shorter repayment schedule than the schedule that accompanies the repayment option that you select.

- During the grace period on a Federal Stafford Loan, a prepayment will reduce the outstanding principal balance of a subsidized Federal Stafford Loan. A prepayment during the grace period will reduce any accrued interest that has not been paid and may reduce the outstanding principal balance of an unsubsidized Federal Stafford Loan or a Grad PLUS Loan.
- While you are in repayment on a Federal Stafford or Grad PLUS Loan, any extra amount you pay in addition to your regular monthly payment will reduce your outstanding principal balance, as long as the accrued interest and any outstanding late charges are paid. However, please note that the payment due date on your loan(s) may be advanced and/or your next monthly billing statement may reflect a reduced payment amount due.

➔ **REPAYMENT** | The maximum repayment period is generally ten years, exclusive of deferment and forbearance periods, from the date the loan enters repayment. You can make your monthly payments online, have them automatically deducted from your checking or savings account, or send them through the mail. Some lenders offer an interest rate reduction if payments are automatically deducted from your checking or savings account. Check with you lender/loan servicer for more information on repayment benefits.

## REPAYMENT OPTIONS:

➔ **STANDARD REPAYMENT SCHEDULE** | **Monthly payments remain the same throughout repayment.** Small changes in your monthly payment amount may occur for loans with variable interest rates. Minimum monthly payments start at \$50.00. Your payments may be higher depending on how much you borrowed.

➔ **GRADUATED REPAYMENT SCHEDULE** | **You may begin to repay the loan with small monthly payments that increase over time.** This option assumes that your income will grow enough to cover the increasing loan payments. You will pay a greater amount of interest than you would under the standard schedule because your initial payments go mainly toward interest, not the principal balance.

➔ **INCOME-SENSITIVE REPAYMENT SCHEDULE** | **Payments are based on a percentage of your gross monthly income.** Your monthly payments must be sufficient to cover the interest that accrues each month. Your lender/loan servicer will collect and review your income documentation annually and adjust your payment if you qualify.

➔ **EXTENDED REPAYMENT SCHEDULE** | **This plan is limited to borrowers who are considered "new borrowers" on or after October 7, 1998, and have an outstanding balance of principal and interest in FFELP loans totaling more than \$30,000.** The lender/loan servicer may schedule standard or graduated installments over a period not to exceed 25 years.

➔ **INCOME-BASED REPAYMENT SCHEDULE (Effective July 1, 2009)** **If you have a defined partial financial hardship, your payments are limited to no more than 15% of the amount by which your adjusted gross income (either individually or with your spouse, as applicable) exceeds 150% of the poverty line income applicable to your family size.** Your monthly payment amount may be adjusted annually. The maximum repayment period under this plan may exceed ten years. If you meet certain requirements, you may qualify for cancellation of your loan if there is an outstanding balance after a period not to exceed 25 years.

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**SELECTION OF REPAYMENT SCHEDULES** | If you do not select a repayment schedule from the above list and provide documentation of your eligibility if applicable, your lender/loan servicer will place your loan on the Standard Payment Schedule. After you have begun repaying your loan, you may request a change in the repayment schedule for your loan(s). The lender/loan servicer must comply with an eligible borrower's request to change his or her choice of a repayment schedule at least once every 12 months. Please contact your lender/loan servicer regarding your repayment schedule.

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**TAX BENEFITS** are available for certain higher education expenses, including a deduction for student loan interest that you paid. The student loan interest deduction applies to loans used to pay for qualified postsecondary education costs. (The loans cannot be from a related person or made under a qualified employer plan.) Internal Revenue Service (IRS) Publication 970, Tax Benefits for Higher Education, explains the student loan interest deduction and the other tax benefits. You can get more information online at [www.irs.gov](http://www.irs.gov) or by calling the IRS at **1.800.829.1040**.

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## Difficulty Repaying Your Loan(s):

**If you anticipate that you will have difficulty repaying your loan(s), contact your lender/loan servicer for assistance. If you qualify, you have the right to postpone repayment of your loan(s) through a deferment. If you are not eligible for a deferment, you may qualify for a forbearance.**

➔ **DEFERMENT** | If you qualify for a deferment, the federal government pays the interest on your subsidized Federal Stafford Loans during the deferment period. If you have unsubsidized Federal Stafford Loans or Grad PLUS Loans, you are responsible for the interest that accrues during the deferment period. You may choose to pay the interest as it accrues or allow it to capitalize. **If your oldest loan was borrowed on or after July 1, 1993, you may qualify for a deferment for periods that DO NOT exceed the indicated time limits if you are:**

### No Time Limit:

- **Enrolled at least half-time** at an eligible school.
- Engaged in a **full-time course of study** in a graduate fellowship program.
- Engaged in a **Rehabilitation Training Program**.
- **Serving on active duty or performing qualifying National Guard duty**, serving during a war, military operation or national emergency.
- **Reenrolling in school following the completion of active duty military service** and if you were enrolled in an eligible school at the time of, or within six months prior to, the time that you were called to active duty, you may receive a 13-month post active duty student deferment.

### Three-year Time Limit:

- **Experiencing an economic hardship** as determined by federal law or serving as a volunteer in the Peace Corps.
- Conscientiously seeking, but **unable to find full-time employment**.



**FORBEARANCE** | If you are unable to make a scheduled monthly payment due to special circumstances, such as a prolonged illness, you may request a forbearance from your lender or servicer. Your lender may be able to revise or postpone your payment for a period of time until you get back on your feet financially. However, you will be responsible for the accruing interest. You may choose to pay the interest as it accrues or allow it to capitalize. Contact your lender immediately if you anticipate or experience any problems with repayment.



**LOAN DISCHARGE / FORGIVENESS / REPAYMENT** | You are generally obligated to repay your student loan(s) regardless of what happens. However, there are a few situations in which you loan(s) may be discharged and your repayment obligation cancelled. Your Federal student loan(s) may be discharged or forgiven, in whole or part, if:

- You are **totally and permanently disabled**.
- You are **unable to complete your program** of study due to the closing of your school.
- Your **school falsely certified your loan eligibility**, due to an unauthorized or forged signature on documents for loan funds from which you did not benefit, due to disqualifying status or your ability to benefit, or if your school failed to refund required loan funds to your lender on your behalf.
- Your **loan was falsely certified** as a result of the crime of identity theft.
- Your **loan is discharged in bankruptcy**. (Available under limited circumstances)
- You are eligible for the **Teacher Loan Forgiveness Program, or Service in Areas of National Need Loan Forgiveness Program**.
- You are eligible for the **Civil Legal Assistance Attorney Loan Repayment Program**.
- You are eligible for loan forgiveness under **Income-Based Repayment**.
- You are **employed in a public service job** and consolidate your Federal Family Education Loan Program (FFELP) loans into a Direct Consolidation Loan and participate in the Loan Forgiveness Program for Public Service Employees.
- You are **deceased**.



**DELINQUENCY & DEFAULT** | If you fail to make loan payments when due, your loan becomes delinquent. Delinquent loans can adversely affect your credit rating. In addition, failure to pay all or part of an installment payment when due can result in the addition of late charges.

**If a loan is delinquent for 270 days, it will be declared in default.** If you default, the entire unpaid balance and any accrued collection fees on the applicable loans will become immediately due and payable.

## THE CONSEQUENCES OF DEFAULT MAY INCLUDE ANY OR ALL OF THE FOLLOWING:

- Adverse credit reports resulting in damage to your credit rating
- Garnishment of your wages
- Withholding of your federal and state income tax refunds
- Litigation which is legal action against you
- Federal debt collection procedures against you
- Collection charges (including attorney fees) being assessed against you
- Loss of deferment entitlements
- Loss of your professional license
- An increase in the interest rate on your loan
- Loss of eligibility for federal and state financial aid
- Loss of other federal or state payments

## Loan Consolidation

A Federal Consolidation Loan is designed to assist you with managing your federal education debt. **It allows you to combine one or more existing federal student loans into a single new loan, thus having one loan payment and one lender.**

**Federal loan consolidation may be an option if you have significant student loan debt, different types of federal loans, or you are making the minimum monthly payment on multiple loans.** In order to combine your loans, you should determine which lender/servicer can best serve you, and request that lender/servicer to purchase your other loans. Consolidating your loans offers both advantages and disadvantages to you.

**The interest rate on your Federal Consolidation Loan will be a fixed rate for the life of the loan.** Your rate is determined by the weighted average of the loans you are consolidating, rounded up to the nearest 1/8th of one whole percent, not to exceed 8.25 percent.



### ADVANTAGES:


- Extended repayment for up to 30 years repayment schedule depending on the balance of your qualifying education loans
- Loans with a single lender
- Single monthly payment
- Lower, more manageable monthly payment amount





### DISADVANTAGES:

- Longer repayment period
- When using a repayment period that is longer than the generally ten-year repayment period, the amount of interest that you pay over the life of the loan is greater.

- **If you include a Federal Perkins Loan in the Consolidation Loan, you will lose the interest-free periods for the Perkins loan** during, for example, at least half-time enrollment in an eligible school, the 9-month initial grace period, authorized deferments, and a 6-month post-deferment grace period. In addition, the interest rate on your Perkins Loan may increase as a result of the weighted average calculation noted above.
- **If you include a Federal Perkins Loan in the Consolidation Loan, you will no longer be eligible for cancellation of all or part of your Federal Perkins Loan** based on years of qualifying public service.

 **REPAYMENT SCHEDULES AND CHANGE IN REPAYMENT SCHEDULE** | A Federal Consolidation Loan enters repayment on the date the loan is disbursed. Lenders/loan servicers must offer you the choice of a standard, graduated, income-sensitive, income-based repayment schedules, or if applicable, an extended repayment schedule. If you do not select a repayment schedule and provide documentation of your eligibility if applicable, your lender/loan servicer will place your loan on the Standard Repayment Schedule. You may request a change in the repayment schedule for your loan(s). The lender/loan servicer must comply with an eligible borrower's request to change his or her choice of a repayment schedule at least once every 12 months. Please contact your lender/loan servicer regarding your repayment schedule.

 **PREPAYMENT** | You may prepay all or part of your Federal Consolidation Loan at any time without a penalty. You may pay the Consolidation Loan on a shorter repayment schedule than the repayment schedule that you selected.

 **BORROWER BENEFIT PROGRAMS** | Contact your lender/loan servicer to determine the effect of consolidation on borrower benefit programs and/or your eligibility for borrower benefit programs as a result of consolidation.

## Good Recordkeeping

**Remember to keep copies of all of your loan documents**, including your FAFSA, Master Promissory Note(s), disclosure statements, records showing when loan payments were received, your loan repayment schedule(s), as well as records of loan payments including cancelled checks and money order receipts. Keep copies of anything you do in writing, including requests for deferment or forbearance.

- **If you call a lender/loan servicer**, make a note of the date and the person with whom you spoke.
- **Keep the most recent name and address** of the lender, the loan servicer, and the guarantor of the loan.

## Budget


By creating a budget, you can take steps to adequately track and manage your expenses. **Total monthly expenses might include:**


- Rent/Mortgage
- Food
- Utilities
- Insurance
- Transportation
- Federal Student Loan payments
- Other Debts
- Clothing
- Miscellaneous Expenses
- Savings


### A SAMPLE BUDGET IS:

**Monthly income** (less 30% withholding for taxes, etc.)  
 – **Monthly Expenses**  
 \_\_\_\_\_  
 = **DISPOSABLE INCOME**

## Glossary

 **CAPITALIZED INTEREST** | **Interest that accrues on the unpaid principal balance of your loan and is unpaid** during the periods indicated under "Types of Loans" is added to the principal balance of the loan. Adding the accrued interest to the principal balance of the loan increases the outstanding principal amount due on the loan. Interest that is capitalized subsequently accrues interest which adds an additional expense to the loan.

 **DEFAULT** | **If a loan is delinquent for 270 days**, it will be declared in default. If you default, the entire unpaid balance and any accrued collection fees on the applicable loans will become immediately due and payable. The consequences of default are included in the exit counseling.

 **GRACE PERIOD** | Your Federal Stafford Loans have a six-month grace period prior to repayment. Your Grad PLUS Loans may also have a six month post-enrollment grace period deferment after repayment has begun. In both cases, **the grace period begins the day after you graduate, withdraw from school, or drop below half-time status**. During the grace period, the government is responsible for paying the interest on subsidized Federal Stafford Loans. Unsubsidized Federal Stafford Loan borrowers remain responsible for paying the interest during their grace period and Grad PLUS Loan borrowers also remain responsible for paying the interest that accrues during the 6-month post-enrollment grace period deferment. **The purpose of the grace period is to provide you with time to find employment and to prepare for loan repayment.**

# Monthly Payment Amounts

STAFFORD LOAN STANDARD REPAYMENT SCHEDULE								
6% Interest Rate					6.8% Interest Rate			
Amount Borrowed	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of Repayment Term	Total Interest Paid During Repayment Term	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of Repayment Term	Total Interest Paid During Repayment Term
\$3,500	87 months	\$50.00	\$4,350.00	\$850.00	88 months	\$50.62	\$4,454.56	\$954.96
\$7,000	120 months	\$77.71	\$9,325.20	\$2,325.20	120 months	\$80.56	\$9,667.20	\$2,667.20
\$11,000	120 months	\$122.12	\$14,654.40	\$3,654.40	120 months	\$126.59	\$15,190.80	\$4,190.80
\$15,000	120 months	\$166.53	\$19,983.60	\$4,983.60	120 months	\$172.62	\$20,714.40	\$5,714.40
\$26,500	120 months	\$294.20	\$35,304.00	\$8,804.00	120 months	\$304.96	\$36,595.20	\$10,095.20
\$37,500	120 months	\$416.33	\$49,959.60	\$12,459.60	120 months	\$431.55	\$51,786.00	\$14,286.00
\$50,000	120 months	\$555.10	\$66,612.00	\$16,612.00	120 months	\$575.40	\$69,048.00	\$19,048.00
\$60,000	120 months	\$666.12	\$79,934.40	\$19,934.40	120 months	\$690.48	\$82,857.60	\$22,857.60
\$72,500	120 months	\$804.90	\$96,588.00	\$24,088.00	120 months	\$834.33	\$100,119.60	\$27,619.60
\$84,000	120 months	\$932.57	\$111,908.40	\$27,908.40	120 months	\$966.67	\$116,000.40	\$32,000.40
\$96,000	120 months	\$1,065.80	\$127,896.00	\$31,896.00	120 months	\$1,104.77	\$132,572.40	\$36,572.40

STAFFORD LOAN GRADUATED REPAYMENT SCHEDULE*								
6% Interest Rate					6.8% Interest Rate			
Amount Borrowed	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of of 120 Months	Total Interest Paid During Repayment Term	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of of 120 Months	Total Interest Paid During Repayment Term
\$7,000	120 months	\$54.53 for 24 months	\$9,737.52	\$2,737.52	120 months	\$56.85 for 24 months	\$10,152.72	\$3,152.72
		\$65.43 for 24 months				\$68.22 for 24 months		
		\$78.51 for 24 months				\$81.86 for 24 months		
		\$94.21 for 24 months				\$98.23 for 24 months		
		\$113.05 for 24 months				\$117.87 for 24 months		
\$11,000	120 months	\$85.69 for 24 months	\$15,302.40	\$4,302.40	120 months	\$89.33 for 24 months	\$15,952.32	\$4,952.32
		\$102.82 for 24 months				\$107.19 for 24 months		
		\$123.38 for 24 months				\$128.62 for 24 months		
		\$148.05 for 24 months				\$154.34 for 24 months		
		\$177.66 for 24 months				\$185.20 for 24 months		
\$15,000	120 months	\$116.85 for 24 months	\$20,868.72	\$5,868.72	120 months	\$121.82 for 24 months	\$21,755.52	\$6,755.52
		\$140.22 for 24 months				\$146.18 for 24 months		
		\$168.26 for 24 months				\$175.41 for 24 months		
		\$201.91 for 24 months				\$210.49 for 24 months		
		\$242.29 for 24 months				\$252.58 for 24 months		
\$26,500	120 months	\$206.43 for 24 months	\$36,867.12	\$10,367.12	120 months	\$215.22 for 24 months	\$38,436.96	\$11,936.96
		\$247.71 for 24 months				\$258.26 for 24 months		
		\$297.25 for 24 months				\$309.91 for 24 months		
		\$356.70 for 24 months				\$371.89 for 24 months		
		\$428.04 for 24 months				\$446.26 for 24 months		

STAFFORD LOAN EXTENDED** REPAYMENT SCHEDULE					GRAD PLUS LOAN EXTENDED** REPAYMENT SCHEDULE			
6.8% Interest Rate					8.5% Interest Rate			
Amount Borrowed	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of Repayment Term	Total Interest Paid During Repayment Term	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of Repayment Term	Total Interest Paid During Repayment Term
\$37,500	300 months	\$260.28	\$78,084.00	\$40,584.00	300 months	\$301.96	\$90,588.00	\$53,088.00
\$50,000	300 months	\$347.04	\$104,112.00	\$54,112.00	300 months	\$402.61	\$120,783.00	\$70,783.00
\$60,000	300 months	\$416.44	\$124,932.00	\$64,932.00	300 months	\$483.13	\$144,939.00	\$84,939.00
\$72,500	300 months	\$503.20	\$150,960.00	\$78,460.00	300 months	\$583.79	\$175,137.00	\$102,637.00
\$84,000	300 months	\$583.02	\$174,906.00	\$90,906.00	300 months	\$676.39	\$202,917.00	\$118,917.00
\$96,000	300 months	\$666.31	\$199,893.00	\$103,893.00	300 months	\$773.02	\$231,906.00	\$135,906.00

GRAD PLUS LOAN STANDARD REPAYMENT SCHEDULE				
8.5% Interest Rate				
Amount Borrowed	Repayment Term	Monthly Payment Amount	Total Amount Paid at End of Repayment Term	Total Interest Paid During Repayment Term
\$5,000	120 months	\$61.99	\$7,438.80	\$2,438.80
\$11,000	120 months	\$136.38	\$16,365.60	\$5,365.60
\$15,000	120 months	\$185.98	\$22,317.60	\$7,317.60
\$26,500	120 months	\$328.56	\$39,427.20	\$12,927.20
\$37,500	120 months	\$464.95	\$55,794.00	\$18,294.00
\$50,000	120 months	\$619.93	\$74,391.60	\$24,391.60
\$60,000	120 months	\$743.91	\$89,269.20	\$29,269.20
\$72,500	120 months	\$898.90	\$107,868.00	\$35,368.00
\$84,000	120 months	\$1,041.48	\$124,977.60	\$40,977.60
\$96,000	120 months	\$1,190.26	\$142,831.20	\$46,831.20



All of these charts are based on the assumption that you pay the interest on your unsubsidized Stafford Loan(s) while in school and during the grace period and/or you pay the interest on your Grad PLUS Loan(s) during the in-school deferment and the post-enrollment deferment period.

If you do not pay the interest during the subject periods, the interest that accrues will be capitalized. For example, if you are enrolled in a 2-year undergraduate program of study and receive unsubsidized Stafford Loans in the amount of \$9,500 for your first academic year and unsubsidized Stafford Loans in the amount of \$10,500 for your second academic year, then the outstanding principal balance on your unsubsidized Stafford Loan at the end of the grace period – assuming that you have made no interest payment while in school and during the grace period – will be approximately \$22,012.17. The difference between the loan amount that you borrowed of \$20,000 (\$9,500 plus \$10,500) and your outstanding principal balance, when repayment begins, is interest of \$2,012.17 that was capitalized.

\* Limited sample schedules provided. You may contact your lender/loan servicer for a specific graduated repayment schedule based on the amount you borrowed.

\*\* Applies to borrowers who are eligible and select the "Extended Repayment Plan" described under "Repayment Options".

FOR A VARIETY OF FINANCIAL CALCULATORS, PLEASE VISIT THE ONLINE TOOLS SECTION OF THE AES WEBSITE AT:  
[aesSuccess.org/manage](https://aesSuccess.org/manage) or [youcandealwithit.com](https://youcandealwithit.com)



## Contact Information

**Your first resource is the Financial Aid Office at the school you are attending.** Next would be the bank which lent you the money, then the guaranty agency which guaranteed your loan. After you have exhausted these resources, if you are still unable to resolve your situation, the **U.S. Department of Education, Office of Financial Assistance (OSFA)** has an Ombudsman who works with student borrowers to resolve loan disputes and problems.

### YOU CAN CONTACT THE OMBUDSMAN AT:

**ombudsman.ed.gov**

**1.877.557.2575** (Toll-Free)

**1.202.275.0549** (Fax)

U. S. Department of Education  
FSA Ombudsman  
830 First Street, NE  
Fourth Floor  
Washington, D.C. 20202-5144

Additional information on your loans through the **National Student Loan Data System (NSLDS)**. NSLDS is a central database for providing you with access to information, 24 hours a day and 7 days a week, on your Federal Student Aid which includes loans and grants. The database was developed by and is maintained by the Department. To access your information on NSLDS, you will need your Social Security number, the first two digits of your last name, your date of birth, and your Personal Identification Number (PIN). Your PIN is provided on your student aid report (SAR) or you may request a PIN at **pin.ed.gov**. The NSLDS receives information from schools, guarantors, and the Department.

### TO TRACK THE STATUS OF YOUR FEDERAL LOANS, ACCESS NSLDS AT:

**nslds.ed.gov**

**1.800.4FED.AID** (Toll-Free)

## FINAL REMINDER:

IF YOU CANNOT MAKE FULL MONTHLY PAYMENTS ON YOUR STUDENT LOANS, CONTACT YOUR LENDER OR SERVICER AT ONCE TO DISCUSS YOUR OPTIONS WITH REGARD TO REPAYMENT PLANS, CONSOLIDATION, DEFERMENT OR FORBEARANCE.



American Education Services

**Be Next.**

1200 North Seventh Street, Harrisburg PA 17102-1444

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