Q: I CANNOT PAY MY LOAN. WHAT DO I DO NOW?
A: Contact your lender or servicer and explain your situation. They can provide you with several repayment options and help you manage your student loan debt.

Q: WHAT DOES DEFAULT MEAN?
A: If you fail to meet the terms of your loan and/or fail to make your scheduled payments, your loan will eventually go into default. After you are 270 days delinquent, the loan is in default.

Q: WHAT IS A DEFERMENT AND WHAT TYPES ARE AVAILABLE?
A: You can receive a deferment for certain defined periods of time. A deferment is a temporary suspension of loan payments for specific situations such as re-enrollment in school, unemployment or economic hardship. You do not have to pay interest on the loan during deferment if you have a subsidized Direct Loan, Federal Family Education Loan (FFEL), Stafford Loan or a Federal Perkins Loan. If you have an unsubsidized Direct Loan or FFEL Stafford Loan, you are responsible for the interest during the deferment period. If you do not pay the interest as it accrues, it will be capitalized (added to the loan principal), and the amount you have to pay in the future will be higher. To apply or receive further information, contact your lender or servicer.

Q: WHAT IS INTEREST CAPITALIZATION?
A: When the interest is not paid during college, it is accrued and added to the principle balance. Capitalization occurs the day the deferment period is over and the interest accrued over the loan period is added to the original amount of the loan. This additional amount subsequently accrues interest, adding an additional expense to the loan.

Q: WHAT IS FORBEARANCE? WHAT TYPES ARE AVAILABLE?
A: Forbearance is a temporary postponement or reduction of payments for a period of time because you are experiencing financial difficulty. You can receive forbearance if you are not eligible for a deferment. Unlike deferment, interest accrues on both the unsubsidized and subsidized loans. To apply or receive further information, contact your lender or servicer.

Q: CAN MY LOAN BE FORGIVEN?
A: Under certain circumstances, the federal government may cancel all or part of a federal student loan. To find out whether you qualify for loan forgiveness, speak with your lender or servicer.

Q: MY LOAN HAS DEFAULTED. WHAT DO I DO NOW?
A: In order to get a loan out of a defaulted status, you can either pay the loan(s) off yourself, have the loan(s) consolidated by another agency or have the loan(s) rehabilitated. This can be accomplished by contacting your lender or servicer.

Q: I SENT MY DEFERMENT/FORBEARANCE/PAYMENT, BUT MY SERVICER DID NOT RECEIVE IT. WHAT DO I DO NOW?
A: If your lender or servicer did not receive your deferment and/or forbearance form, contact them as soon as possible to explain the situation and determine what to do next. You will likely need to request a new copy of the appropriate form and send the completed form back to your lender or servicer. If your lender or servicer did not receive a payment, contact them as soon as possible. Tell the representative the amount of payment, when you mailed it and the check or money order number. If the payment was a check, ask your bank when it cleared. Provide this information to the lender or servicer along with a copy of the front and back of the check, if possible. You might be asked to do the same with a money order. Write legibly on all correspondence and keep copies.

Q: I HAVE USED 12 MONTHS OF DEFERMENT/FORBEARANCE TIME. IS THERE A MAXIMUM LIMIT?
A: There is a 36-month aggregated limit on forbearances. Therefore, once you have utilized all 36 months, you will not receive any more forbearance time. There is no aggregated limit on deferments; however, you must qualify for them as they have specific expiration dates. If you need additional time, you must re-apply prior to the deferment expiring.

Q: WHEN SHOULD I APPLY FOR A FORBEARANCE OR DEFERMENT?
A: As soon as you realize you may be experiencing financial difficulty, contact your lender or servicer at least 30 days before you want the deferment or forbearance to start to allow for processing time.
Q: I AM IN SCHOOL. WHY AM I BEING BILLED?
A: If you are in school and getting billed for your student loan, it may be the result of one of the following scenarios:
1. You transferred to a new school and the lender or servicer does not have a new enrollment verification.
2. You dropped below half-time status.
3. You are attending school beyond the anticipated graduation date provided by your school.

You should contact your lender or servicer and provide proof of your in-school status whenever your circumstances change. If you fail to do so, you will be expected to begin repayment when your grace period is scheduled to end.

Q: HOW CAN I ACCESS MY STUDENT LOANS?
A: You can access your loans on the National Student Loan Data System. The first chart provides the name and servicer codes and the second chart provides specific contact information for borrowers and schools.

Q: WHO CAN HELP ME MANAGE MY STUDENT LOANS?
A: If at any time during your student loan repayment you cannot make your monthly payment, immediately contact your lender or servicer to find out about available deferment or forbearance options. If you are not sure who your lender or servicer is, contact your student services advisor.