



# Paying back your Federal Student Loans

You must begin paying back federal student loans 6 months after graduation or withdraw. At that time, you should receive from the lender information on payment plan options, dates the first payment will begin and lender contact information.

It is important to communicate with your lender regarding your student loans; otherwise your loans may go into DEFAULT.

## There are several ways to prevent this type of action:

Under certain circumstances, you can receive a **deferment** or **forbearance** that allows you to temporarily postpone or reduce your **federal student loan** payments. Postponing or reducing your payments may help you avoid **default**.

You'll need to work with your **loan servicer** to **apply** for deferment or forbearance and be sure to keep making payments on your loan until the deferment or forbearance is in place.

### What is a Deferment?

A deferment is a period during which repayment of the **principal** of your loan is temporarily delayed. Some types of deferments include in-school deferment and unemployment deferment.

### What happens to my loan during deferment?

During a deferment, you do not need to make payments. What's more, depending on the type of loan you have, the federal government may pay the interest on your loan during a period of deferment.

The government may pay the interest on your

- ◆ **Federal Perkins Loan,**
- ◆ Direct **Subsidized Loan,** and/or
- ◆ Subsidized Federal Stafford Loan.

The government does not pay the interest on your unsubsidized loans (or on any PLUS loans). You are responsible for paying the interest that accrues (accumulates) during the deferment period, but your payment is not due during the deferment period. If you don't pay the interest on your loan during deferment, it may be capitalized (added to your principal balance), and the amount you pay in the future will be higher.

### What is Forbearance?

Loan forbearance is a period during which repayment of the **principal** and **interest** of your loan is temporarily delayed. Loan forbearance is available to students who are facing financial hardships. Receiving loan forbearance is not automatic, you must apply by making a request to your loan servicer. In some cases, you must provide documentation to support your request.

### What is Consolidation?

You may also consolidate your Federal Student Loans with other student loans you may have to get better repayment terms, such as a smaller interest rate. Plus, making a single payment for all your student loans will make it easier to keep on top of payments each month. Consolidation is usually only possible after three or more straight months of on-time payments.

### What is a loan servicer?

A loan servicer is a company that handles the billing and other services on your federal student loan. The loan servicer will work with you on repayment plans and loan consolidation and will assist you with other tasks related to your federal student loan. It is important to maintain contact with your loan servicer. If your circumstances change at any time during your repayment period, your loan servicer will be able to help.

### Do I select my loan servicer?

No. Your loan is assigned to a loan servicer by the U.S. Department of Education after your entire loan amount is disbursed (paid out). The loan has been disbursed when your school transfers your loan money to your school account, gives money to you directly, or a combination of both. Your loan is usually disbursed in at least two payments.

### Whom do I contact to get information about my loan?

If your loan is for the current or upcoming school year, contact your school's financial aid office directly for information about loan status, loan cancellation within 120 days of disbursement, and loan disbursement amounts and timing.

If your loan was disbursed in a past school year, contact your loan servicer when you need help making your loan payment; change your name, address, or phone number; have a question about your bill; have a question about other features of your student loan, such as forgiveness; graduate; drop below half-time enrollment; stop going to school; or transfer to another school.

### Who is my loan servicer?

Visit the [National Student Loan Data System \(NSLDS®\)](http://www.nslds.ed.gov) at [www.nslds.ed.gov](http://www.nslds.ed.gov) to view information about all of the federal student loans you have received and to find contact information for the loan servicer or **lender** for your loans. You will need your [Federal Student Aid PIN](#) to access your information.

The following are loan servicers for federally held loans made through the William D. Ford Federal **Direct Loan** (Direct Loan) Program and the **Federal Family Education Loan (FFEL) Program**.

Loan Servicer	Contact
Aspire Resources Inc.	1-855-475-3335
CornerStone	1-800-663-1662
COSTEP	1-877-292-8639
Direct Loan Servicing Center (ACS)	1-800-848-0979
Department of Education Student Loan Servicing Center (ACS)	1-800-835-4611
EDGEducation Loans	1-877-292-7470
EdManage	1-855-479-0490
ESA/Edfinancial	1-855-337-6884
FedLoan Servicing (PHEAA)	1-800-699-2908
Granite State – GSMR	1-888-556-0022
Great Lakes Educational Loan Services, Inc.	1-800-236-4300
KSA Servicing	1-877-292-4825
MOHELA	1-888-866-4352
Nelnet	1-888-486-4722
OSLA Servicing	1-866-264-9762
Sallie Mae	1-800-722-1300

### If you have other types of federal student loans, contact the following for repayment information:

- ◆ Federal Perkins Loans — Contact the school where you received your **Federal Perkins Loan** for details about repaying your loan. Your school may be the servicer for your loan.
- ◆ Privately owned **FFEL Program** loans — Contact your lender for details about repayment options and tools for your FFEL Program loans that are not owned by the U.S. Department of Education.