

Repayment Strategy Request

Follow these easy steps to implement your personal strategy.

- 1. Organize your student loan information.** Visit NSLDS and use your FAFSA PIN to view your federal loans, or contact your lender(s) to receive a loan summary. Use the Student Loan Repayment Worksheet to conveniently list your loans.
- 2. Understand your options.** Review the explanations below to learn how you may alter your standard monthly payment. If you have questions, contact your lender(s).
- 3. Request your repayment strategy.** Use the second page of this document to make your selections; **then send to your lender(s) via fax, email or U.S. Mail.**

POSTPONE

If you are not able to make payments on your federal loans you may apply for a deferment or forbearance. Some loans in deferment have their interest subsidized so always consider a deferment prior to forbearance.

Deferments: Granted when you meet certain criteria. Common deferments:

- At least half-time enrollment in eligible school program
- Unemployment (up to three years)
- Economic hardship (up to three years)
- Military service

Forbearances: Are discretionary, so lenders set their own policies regarding qualification and length of postponement. In some situations loan holders are required to grant a mandatory forbearance (e.g., during a medical residency.)

Private loans are not eligible for federal deferments but many have a forbearance option.

For more information about deferments or forbearance contact your lender.

EXTEND

You may be able to lower your monthly payment obligation on one or more of your federal loans by extending your repayment term.

Stafford, GradPLUS, Parent PLUS Loans: If you have more than \$30,000 in federal loans you may extend your repayment period from the 10-year standard term to 25 years.

Consolidation Loans: You may extend your repayment term from 10 to 30 years based on your total outstanding student loan balance. The sum of your other education loans used to extend your term may not exceed the amount of your consolidation loan(s).

- Less than \$7,500 = 10 years
- \$ 7,500 to \$ 9,999 = 12 years
- \$10,000 to \$19,999 = 15 years
- \$20,000 to \$39,999 = 20 years
- \$40,000 to \$59,999 = 25 years
- \$60,000 and above = 30 years

Lowering payments on your lowest rate student loans, in order to overpay higher interest rate loans, is a smart financial strategy.

REDUCE

Lowering payments on your federal student loans, which have relatively low interest rates, is a smart financial strategy. That way, you can put more money towards high-interest debt, such as private loans or credit cards. Keep in mind that there are no prepayment penalties if you are able to pay off your student loans faster.

Payments can be minimized with various repayment plans that either start with interest-only payments or take into account your income, family size and federal student loan debt. Plans to consider include:

Graduated Repayment Plan: Payments begin low then increase over time. Plans vary with lenders, but most offer a two-tier and three-tier payment plan, where payments begin low with interest-only then increase over time in order to pay off the loan in term.

Income Contingent: Monthly payments are determined annually based on adjusted gross income (AGI), family size, interest rate, and total amount of Direct Loan debt.

Income Based Repayment (IBR) Monthly payments are determined annually based on adjusted gross income (AGI) and family size. Can provide a lower monthly payment than the Income Contingent Repayment program.

For information about private loan repayment plans contact your lender.

OVERPAY

Overpayment or extra payments are a great way to reduce your total loan cost. Keep in mind that there are no prepayment penalties if you are able to pay off your student loans faster.

Pay down your accrued interest before it capitalizes. During periods of grace, deferment or forbearance, consider making payments when no payments are due.

Increase payments on your highest-rate debt. Find out if you are able to decrease the monthly payments on your lower-rate debt to free up some money to apply to your higher-rate debt.

Repayment Strategy Request

Required Borrower Information Please type or print neatly

Last Name		First Name		MI	Account Number
Permanent Street Address				Telephone Number	
City	State	Zip Code	Email Address		
Lender Name					Lender Code (if known)

Please process my request as indicated below, or contact me to discuss processing requirements.

POSTPONE • No payment

- I want to apply for deferment. Please send me the request form for the following common deferment type:
 - Economic Hardship
 - Unemployment
 - In-school
 - Military
- I request a six-month forbearance for these federal loans: Stafford PLUS Consolidation
- I would like to postpone payment on my private loan. Please contact me to discuss what options are available.

EXTEND • Smaller payment

- Extend the repayment term from 10 to 25 years on my Stafford loan †
- Extend the repayment term from 10 to 25 years on my PLUS loan†*
- Extend the term on my consolidation loan per federal regulations

† You must have more than \$30,000 in federal loans to extend term to 25 years.

* Applies to both Graduate and Parent PLUS loans

REDUCE • Even smaller payment

I want the following repayment plan(s). Select the repayment plan that you prefer for each applicable loan:

STAFFORD LOAN(S)	PLUS LOAN(S)*	CONSOLIDATION LOAN(S)
<input type="checkbox"/> Level Payments	<input type="checkbox"/> Level Payments	<input type="checkbox"/> Level Payments
<input type="checkbox"/> Graduated 2 Tier	<input type="checkbox"/> Graduated 2 Tier	<input type="checkbox"/> Graduated 2 Tier
<input type="checkbox"/> Graduated 3 Tier	<input type="checkbox"/> Graduated 3 Tier	<input type="checkbox"/> Graduated 3 Tier
<input type="checkbox"/> Income Contingent (Direct Loans)	<input type="checkbox"/> Income Contingent (Direct Loans)	<input type="checkbox"/> Income Contingent (Direct Loans)
<input type="checkbox"/> Income Based	<input type="checkbox"/> Income Based	<input type="checkbox"/> Income Based

- I want to reduce my monthly payment on my private loan. Please contact me to discuss what options are available.

* Applies to both Graduate and Parent PLUS loans

OVERPAY • Bigger payments

- Please contact me to discuss how I can make larger payments on one or more student loans.
(e.g.: zero-pay coupon books, online payments, etc.)

By signing below I agree to the repayment options selected above and authorize my lender to implement the repayment strategies, where applicable.

Signature _____

Date _____