**Exit Counseling Information Sheet**

This guide provides an overview of information you will need to successfully repay the federal student loan(s) that you have borrowed to help pay for your college costs under the Direct Loan Program. For more detailed information about many of the topics covered in this guide, see your Master Promissory Note (MPN).

Student borrowers of Direct Loans who are graduating, leaving school, or dropping below half-time enrollment are required to complete exit loan counseling. Exit counseling provides important information you will need to prepare to repay your federal student loan(s).

You must repay the full amount of your federal student loan(s), even if you:

* don’t complete your program of study;
* can’t find employment after graduation; and/or
* are not satisfied with or didn’t receive the education or other services that you paid for with your federal student loan(s).

**On-line Exit Loan Counseling:** To complete the exit loan counseling requirement, log into ***StudentLoans.gov*** using your FSA ID (the same ID that you use to submit and sign your FAFSA). Click on the Exit Loan Counseling link and follow the instructions. During this on-line counseling session, you will learn about your rights & responsibilities as a federal student loan borrower. Hampshire College will be notified electronically when you complete this requirement.

**Identify your loan servicer:** Your loan servicer is the agency that manages your Direct Loan—Hampshire College does not manage your federal student loans. You can identify the servicer of your Direct Loan by going to the ***National Student Loan Data Systems (NSLDS)*** website at nslds.ed.gov/nslds\_SA/ and logging in with your FSA ID. On the Loan History page, select one of your loans to see the loan detail. In the section labeled “Make a Payment” you will find the loan servicer assigned to your loans. You may also find your servicer by calling the Federal Student Aid customer care center at 1.800.433.3243. You have received paper mailings from your servicer throughout your college enrollment—check your mail for one of these letters. Keep the contact information handy in case you need to contact your servicer and enroll in their on-line portal.

**When should you contact your loan servicer:** Contact your loan servicer if you graduate; change your name, address, or phone number; transfer schools; drop below half-time enrollment; leave school; need help making your monthly federal student loan payments, or are called to active duty with the U.S. armed forces for more than 30 days.

**Interest rates on your loan(s):** You can find the interest rates for your Direct Loans by going to the NSLDS web site and logging in with your FSA ID. Select one of the loans listed on the History page and you will be able to see the loan detail, including the interest on that loan.

**Repayment plan options:** There are seven different repayment plans to help you repay your loans. The repayment plan that you choose determines the amount you pay each month and the number of payments you must make. You are not required to make payments while you are enrolled at least half-time or during the first six months after you leave school or drop below half-time enrollment. You can get estimates of your monthly payments for each repayment plan. Use your FSA ID to log in at ***StudentLoans.gov*** and click on the Repayment Estimator link.

*More information on back*

**How do I change my repayment plan?** Contact your loan servicer to select or change your repayment plan. Your servicer can explain which repayment plans are available to you. Choose the repayment plan that is right for you. You can change your plan at any time. If you don’t select a payment plan, your loan servicer will place you on the Standard Repayment Plan with fixed payments over a maximum of 10 years.

**Payment postponement options:** If you are having temporary problems repaying your federal student loans, contact your loan servicer to see if you qualify for a postponement of payments. These postponements include deferments and forbearance. You may qualify for a deferment if you are enrolled at least half-time at an eligible postsecondary school; unemployed or unable to find full time enrollment (for a maximum of three years); or experiencing an economic hardship (including Peace Corps service) (for a maximum of three years). If you don’t qualify for a deferment contact your loan servicer to see if you are eligible for forbearance.

**Loan forgiveness programs:** Under certain circumstances, you may have all or a portion of your federal student loans forgiven or discharged. Contact your loan servicer for details including the Teacher Loan Forgiveness Program and the Public Service Loan Forgiveness (PSLF) Program.

**Avoiding loan payment delinquency and default:** Repayment of your federal student loan is a serious financial obligation. When you make payments on time, you begin establishing a credit history that will affect your future eligibility to obtain loans for the purchase of a car or home. When you apply for a job, employers often use your credit history as a way to measure how you meet your responsibilities and your ability to establish and stick to a plan.

Falling behind on your federal student loan payments can have major consequences:

* Your federal student loan becomes delinquent the first day after you miss a payment that is due;
* If a federal student loan is delinquent for 270 days, it goes into default.
* Loans on which payments are delinquent and loans that are in default are reported to national credit agencies and will appear on your credit reports.

Allowing your loan to become delinquent or go into default can have negative consequences for many areas of your life:

* You will lose your eligibility for loan deferments and forbearances;
* You will not be eligible for additional federal student aid if you return to school;
* You may be required to immediately repay the entire unpaid amount of your loan;
* You may not be eligible for certain types of employment;
* Your loans may be turned over to a collection agency and will have additional charges;
* You may have part of your income withheld by the federal government, known as wage garnishment;
* Your federal and state income tax refunds may be withheld and applied to your debt;
* Your credit score will be damaged making it more difficult to qualify for credit cards, car loans, utilities, car & home insurance, renting an apartment, or getting a cell phone plan.

THERE IS NO REASON TO HAVE THESE THINGS HAPPEN TO YOU. If you are having difficulties in making your monthly loan payments, contact your loan servicer to ask about changing your repayment plan, applying for a deferment or forbearance, or ask about loan consolidation.

**Resolving student loan disputes:** If you think there might be an issue with your federal student loan, first contact your loan servicer. If you are unable to resolve the issue, then as a last resort, contact the ***FSA*** ***Ombudsman Group*** for assistance. Call them at 1.877.557.2575.

**Questions about Exit Loan Counseling?** Feel free to contact the Hampshire College financial aid office with any questions related to the Exit Loan Counseling requirement. We can be reached by phone at 413.559.5484 or via email at financialaid@hampshire.edu.