

Deferments & Forbearances

Deferments

Deferments are periods when payment on the principal of a Stafford Loan is postponed. Once repayment begins, borrowers are entitled to a deferment if they meet the regulatory requirements. **Borrowers must request a deferment either verbally, or on a form provided by the lender or servicer, and must provide documentation to the lender in support of the request.** Borrowers should continue making payments on the loan until notification of the deferment is received. A borrower's eligibility for a deferment depends on when the loan was made, as well as the individual deferment's requirements. Eligibility for a deferment does not mean you are required to take it. You may choose to continue making payments on your student loan.

PLUS loans and unsubsidized Stafford Loans, principal may be deferred, but the interest will continue to accrue while the loan is deferred, and will be capitalized at the end of the deferment period. The borrower may choose to pay only interest while the loan is deferred. Borrowers may defer repayment while the student is enrolled at least half-time.

Effective Oct. 1, 2007, a FFEL (Federal Family Education Loan), Direct Loan, or Perkins Loan borrower who is a member of the national Guard or other reserve component of the U.S. Armed forces (current or retired) and is called or ordered to active duty while enrolled at least half-time at an eligible school, or within six months of having been enrolled at least half-time, is eligible for a deferment during the 13 months following the conclusion of the active duty service, or until the borrower returns to enrolled student status on at least a half-time basis, whichever is earlier.

A FFEL (Federal Family Education Loan), Direct Loan, or Federal Perkins Loan borrower may qualify for an economic hardship deferment for a maximum of three years if the borrower is experiencing hardship according to federal regulations.

Forbearances

A borrower who is willing but unable to make payments, and who does not qualify for a deferment, may request a forbearance from the lender. **Forbearance allows payments to stop temporarily or decrease in size for a specific length of time.** The lender may grant forbearance of principal, interest or both. The borrower is always responsible for repayment of accrued (accumulated) interest charges. The borrower can make interest-only payments, or the interest will be capitalized (added on to the principal).

Unlike deferment, forbearance is not a right. It is something the lender may choose to do for the borrower if the borrower is sincere in meeting his/her loan obligation and if the borrower's circumstances indicate a forbearance would be helpful. Your lender can grant forbearance for periods up to 12 months at a time, for a maximum of three years. The lender must send you a notice confirming the terms that were agreed to and record them in your file.

STUDENT LOAN DEFERMENT PROCESSING



Shawnee State University participates in the National Student Clearinghouse located in Herndon, Virginia. Several times a semester (10 days before the term begins, after the add/drop period, mid way through the term and after finals), the University submits a report of students' enrollment status to the Clearinghouse which, in turn, supplies verification of enrollment to lending agencies. All deferment loan forms are forwarded to the Clearinghouse. Shawnee State does not supply this information directly to lending agencies.

If a student has registered late or has had an exception processed to the term registration, this information will be reported in one of the subsequent submissions during the term. The Clearinghouse asks that if a student receives a collections letter from a servicer, the student does the following:

1. Call the lending agency to see if a deferment form was received between the time the Clearinghouse supplied the information and the lending agency sent the collection letter.

Guaranty Agency Numbers

United Student Aid Fund (USAF)-Sallie Mae	1-800-824-7044	FAX: 1-317-595-1239
Great Lakes Higher Education Corp.	1-800-377-9095	FAX: 1-608-246-1608
Kentucky Higher Education Association-Student Loan People	1-800-693-8220	FAX: 1-502-329-7077

Loan Servicer Numbers

AES (formerly Student Loan Servicing Center)	1-800-233-0557	FAX: 1-717-720-3931
AES (Graduate Program)		FAX: 1-865-692-6386
ACS (Affiliated Computer Services) Educ. Svcs.	1-800-835-4611	FAX: 1-315-738-2232
ACS Campus Based Loan (Perkins) (was AFSA)	1-630-620-2700	FAX: 1-630-620-2780
American Student Loan Service	1-800-575-1099	
Campus Partners (formerly AMS Servicing Group)	1-800-334-8609	
CFS Sun Tech	1-800-489-5005	
Chase Student Loan Services	1-800-487-4404	FAX: 1-888-471-4807
Citibank Student Loan Corporation Customer Svc.	1-800-967-2400	FAX: 1-605-357-2013
Educational Computer Systems Inc (ECSI)	1-800-549-3274	
EDSI	1-800-782-5176	
EFS Services, Inc. (Now part of Nelnet)	1-800-635-1867	FAX: 1-877-402-5816
Institution, Inc. (Now part of Nelnet)	1-800-874-3150	
Express Loan Services	1-888-811-7101	FAX: 1-888-811-7103
GCO Service	1-800-528-9447	FAX: 1-208-452-5848
Nelnet (federal loan)	1-888-486-4722	FAX: 1-877-402-5816
Sallie Mae Loan Servicing Center	1-888-272-5543	FAX: 1-800-848-1949
The Student Loan People (Ky HESLC)	1-800-693-8220	FAX: 1-502-329-7077
University Accounting Services	1-800-558-7700	FAX: 1-317-595-1239
Wells Fargo	1-800-658-3567	FAX: 1-800-456-0561
William D Ford Direct Loan	1-800-848-0979	FAX: 1-800-848-0984

2. If, after calling the servicer, it still appears that the deferment has not been processed, the student may call the **Clearinghouse at (703) 742-7791** and ask for a **Student Service Representative** or use their web site at — www.nslc.org . The representative will verify the date on which the deferment form was received by the Clearinghouse, the date the deferment was certified and mailed, the enrollment status that was certified, and where the forms were sent.
3. If an emergency exists – for example, the student is 150 days delinquent and being threatened with default – the Clearinghouse will intervene on the student's behalf by faxing another enrollment certification to the servicer. Further, it will work with the servicer to ensure that the form is processed on a high-priority basis.

*** SSU began using the Clearinghouse, Fall Quarter 1996, any deferment information requested for quarters prior to Fall 1996 will be processed by the Registrar's Office. SSU semester conversion began Fall 2007.**

If you have further questions or concerns please call **Brenda in the Registrar's Office at (740) 351-3181.**