

Student loan default prevention.

- 1. Don't do it.** It's easy to fall behind on making payments on your student loan after you graduate, but remember that even missing one payment is a bad idea...so don't do it!
- 2. You might get labeled.** If you forget to pay your student loan bill and remember after the due date, make sure you pay it then (don't wait until your next bill)! Most servicers give you 30 days before they report your delinquency to the credit bureaus. Once you get that "delinquency" label on your credit report you can NOT get it taken off. No matter how much you beg. The same goes for your parents who may have co-signed your loan.
- 3. No Worries...Automate.** Signing up for automatic payment deductions from your bank account will help you stay on top of your bills and avoid missing a payment on your student loan. Of course you also need to make sure there is enough money in your account to cover the bill each month!
- 4. Know-it-all.** It's important to know where your loans are serviced and to know your rights and responsibilities as a borrower. Talk to your loan servicer or lender to make sure you have all of the information you need.
- 5. The mail must go through.** Make sure you let your loan servicer know that you have changed your address if you move. Not letting them know could result in you not receiving your bills and ultimately missing payments.



- 6. Ask for Help!** If you are having difficulties paying back your loan, call your loan servicer or lender to see if they can help. There are income sensitive and graduated repayment options available or they might be able to extend your repayment period. Don't wait until you've missed a payment...ask for help as soon as you need it.
- 7. More school, more time.** If you are continuing your studies and are enrolled in school at least half time you are eligible to defer your Federal student loan payments until after you graduate or drop below half-time status. You may also be able to defer some private student loans as well (check with your lender or servicer).
- 8. Life is hard.** If you are facing certain hardships resulting in not being able to pay back your loan there are some deferment and forbearance options available. Talk to your loan servicer to discuss your options.
- 9. Loans aren't free.** No matter what, at some point you will need to pay back your student loan. Unfortunately, loans aren't free and for the most part are not forgiven (even if you file for bankruptcy). So remember to ask for help if you need it!

For more information call us at **1-800-708-6684**
or visit www.citizensbank.com/edu

