

# STUDENT LOAN REPAYMENT



## STUDENT LOAN REPAYMENT GUIDE

SUNY Canton  
One Hop Shop - Financial Aid  
Miller Campus Center 012  
34 Cornell Drive  
Canton, NY 13617  
(315) 386-7616  
finaid@canton.edu

You're leaving school, now what?  
A guide for SUNY Canton students.

# TABLE OF CONTENTS

- I. Take the Right Steps
- II. Part 1 – Exit Counseling
- III. Part 2 – Review Loan History
- IV. Part 3 – Create a Budget
- V. Student Loan Worksheet
- VI. Loan Servicer Contact Information
- VII. Monthly Budget Worksheet
- VIII. Part 4 – Select a Repayment Plan
- IX. Traditional Repayment Plan Chart
- X. Income-Driven Repayment Plan Chart
- XI. Sample Payment Charts
- XII. Part 5 – Make Your Payments
- XIII. Part 6 – Stay Out of Default
- XIV. Part 7 – Loan Forgiveness, Cancellation & Discharge
- XV. Part 8 – Resolve Problems Quickly
- XVI. Part 9 – Buyer Beware
- XVII. Financial Aid Terms Defined
- XVIII. Online Resources
- XIX. Notes



# TAKE THE RIGHT STEPS

This guide is designed to lead you through the steps to enter repayment on your federal loans successfully. Now that your enrollment at SUNY Canton is ending you need to gather your student loan information and complete an exit counseling session.

## Part 1: Exit Counseling

When you graduate, leave school, or drop below half-time enrollment, every student who borrowed a federal student loan must complete exit counseling. Even if you are transferring to another school you must complete the requirement to exit your loans with SUNY Canton.

### Federal Direct Loan Program

For these loans go to [www.studentaid.gov](http://www.studentaid.gov) and login using your FSA ID. You will need to know contact information (name, address, phone) for your employer and two references to complete the online process. Once logged in click on 'I'm in Repayment and choose 'Complete Exit Counseling'. During the online session you must read through each page and answer any questions that appear in the 'Check Your Knowledge' boxes. Below is a summary of the five sections you will be completing.

---

#### **Section 1: Understand Your Loans**

The amount of your loan debt will appear, including details pulled directly from the National Student Loan Database System (NSLDS).

#### **Section 2: Plan to Pay**

Based on your loan debt you will be shown a projected monthly payment amount based on the types of repayment plans available. You may enter your income and expenses to help determine which plan best fits your current financial situation. Keep track of who your loan servicer is! You will be receiving mail from them and will likely need to contact them in the future.

#### **Section 3: Avoid Default**

No one can predict the future. Be sure you know what to do if you fall behind on payments and/or are unable to make any. There are many different options available for you to temporarily postpone your payments.

#### **Section 4: Make Finances a Priority**

Plan for the future. Be sure you know about credit and are making good financial decisions while protecting your identity.

#### **Section 5: Repayment Information**

Enter contact information for yourself, two references, and choose a repayment plan. Click on the 'Submit Counseling' button and you will be given a final exit counseling summary.

---

SUNY Canton will be sent an electronic confirmation that you have completed the process within 24-48 hours. Your loan servicer will be notified of the repayment plan you selected.

Parents are not required to complete exit counseling for any Federal Direct Parent PLUS Loans.

### Federal Perkins Loan Program

If you borrowed a Federal Perkins Loan, then you will receive a packet of information from the SUNY Student Loan Service Center (SLSC). They manage all Federal Perkins Loans for the SUNY System. You will be repaying your Federal Perkins Loan directly to them.

### Private Alternative Loan Programs

There is no exit counseling requirement for private alternative loan programs.

## Part 2: Review Loan History

For each loan you received you should have received an official disclosure notice including the amount you borrowed. A copy of this information may be located within your account at [studentloans.gov](http://studentloans.gov) or on your loan servicers' website depending upon the age of your loans. While reviewing your loan history take note of the following items.

- Type of Loan
- Loan Period
- Interest Rate
- Amount Borrowed
- Loan Servicer Contact Information

Use the provided Student Loan Worksheet to record your loan history. You can compare the information presented during your exit counseling session with these websites for accuracy.

- ▶ National Student Loan Database System (NSLDS) – [www.nsls.ed.gov](http://www.nsls.ed.gov)  
This website will show all of your federal loan borrowing history for each college attended.
- ▶ SUNY Canton, UCanWeb Account Access – [banweb.canton.edu](http://banweb.canton.edu)  
This website will show all of the loans you borrowed while in attendance at SUNY Canton.
- ▶ Your Loan Servicers' website –  
You can locate your loan servicers' contact information within this booklet or at NSLDS. Their website will give the best detail concerning interest and repayment of the loans they service.

Keep in mind you may have more than one loan servicer. If you attended another college you will need to contact them directly to find out information on any private loans you may have borrowed while in attendance there. Contact the Financial Aid Office if you find any discrepancies and we will help you resolve them. Remember that any amount you originally borrowed may have increased due to any unpaid interest that has accrued since you borrowed the loan.

## Part 3: Create a Budget

During your grace period you should take the time to carefully plan out your income and expenses to determine how much you can afford to pay each month. Take into account your income, living expenses, and any other expenses. Use our Monthly Budget Worksheet to help you develop a realistic budget. You will be presented with an interactive budget tool as part of the online exit counseling as well. Based on your budget select a repayment plan that best fits your needs.

Can't afford your payment? There are options that will allow you to manage your debt. Both deferment and forbearance allow you to suspend your loan payments for a period of time. Interest may still accrue on the loan. Never just stop paying on your loan. Contact your loan servicer and explain your situation. It is their job to help and work with you throughout the repayment of your loan.



# STUDENT LOAN WORKSHEET

This worksheet is a resource to help you get your student loan information organized.

- NSLDS.ed.gov lists all of your federal student loan debt.
- Private loans you borrowed while at SUNY Canton will show under Account Summary in UCanWeb.
- If you attended other colleges, the federal loans will be listed at NSLDS but private loans will not. Contact that college if you need assistance in determining if you borrowed a private loan while in attendance there.

	LOAN PERIOD	LOAN TYPE	INTEREST RATE	LOAN SERVICER Contact Info/Website	BALANCE
1			%		\$
2			%		\$
3			%		\$
4			%		\$
5			%		\$
6			%		\$
7			%		\$
8			%		\$
9			%		\$
10			%		\$
11			%		\$
12			%		\$

# LOAN SERVICER CONTACT INFORMATION

## Federal Direct Loan Servicers



SUNY Canton  
CornerStone  
1-800-663-1662  
[www.MyCornerStoneLoan.org](http://www.MyCornerStoneLoan.org)



ESA/Edfinancial  
1-855-337-6884  
[www.edfinancial.com/DL](http://www.edfinancial.com/DL)



FedLoan Servicing (PHEAA)  
1-800-699-2908  
[www.myfedloan.org](http://www.myfedloan.org)



Granite State – GSMR  
1-888-556-0022  
[www.gsmr.org](http://www.gsmr.org)



Great Lakes Educational Loan Services, Inc.  
1-800-236-4300  
[www.mygreatlakes.org](http://www.mygreatlakes.org)



MOHELA  
1-888-866-4352  
[www.mohela.com](http://www.mohela.com)



Navient (formerly Sallie Mae)  
1-800-722-1300  
[www.navient.com](http://www.navient.com)



Nelnet  
1-888-486-4722  
[www.nelnet.com](http://www.nelnet.com)



OSLA Servicing  
1-866-264-9762  
[www.osla.org](http://www.osla.org)



VSAC Federal Loans  
1-888-932-5626  
[www.vsacfederalloans.org](http://www.vsacfederalloans.org)

## Federal Perkins Loan Servicer – SUNY Canton

SUNY Student Loan Service Center

Address: 5 University Place  
Rensselaer, NY 12144

Telephone: (518) 525-2626

Fax: (518) 525-2600

Email: [slsc@albany.edu](mailto:slsc@albany.edu)

Website: <http://slsc.albany.edu/>

Hours: Monday – Friday  
8:00 am to 4:30 pm EST



# MONTHLY BUDGET WORKSHEET

Use this worksheet to assist with creating and monitoring your monthly budget.

## MONTHLY INCOME: (net income after taxes)

INCOME SOURCE	BUDGET	ACTUAL
	\$	\$
	\$	\$
<b>TOTAL INCOME:</b>	\$	\$

## MONTHLY EXPENSES:

EXPENSE TYPE	BUDGET	ACTUAL
<b>DEBT</b>		
Credit Card payments	\$	\$
Student Loan payments	\$	\$
Other	\$	\$
<b>ENTERTAINMENT</b>		
Concerts/movies/sports	\$	\$
Other	\$	\$
<b>HEALTH</b>	\$	\$
Doctor/Dentist	\$	\$
Life/Health Insurance	\$	\$
Prescriptions	\$	\$
Gym Membership	\$	\$
Other	\$	\$
<b>FOOD</b>		
Groceries / Eat in	\$	\$
Eat out	\$	\$
<b>HOUSING</b>		
Home repair	\$	\$
Insurance	\$	\$
Rent / Mortgage	\$	\$
Taxes	\$	\$
Other	\$	\$
<b>FAMILY EXPENSES</b>		
Babysitter	\$	\$
Day Care	\$	\$
Other	\$	\$
<b>MISCELLANEOUS</b>		

EXPENSE TYPE	BUDGET	ACTUAL
Clothing / Laundry	\$	\$
Pet supplies	\$	\$
Other	\$	\$
<b>SAVINGS</b>		
IRA	\$	\$
Savings/Money Market	\$	\$
<b>TRANSPORTATION</b>		
Car payment	\$	\$
Car insurance	\$	\$
Car maintenance/repair	\$	\$
Gasoline	\$	\$
Public Transportation	\$	\$
Other	\$	\$
<b>UTILITIES</b>		
Cable / Internet	\$	\$
Cell phone	\$	\$
Electricity	\$	\$
Gas & Water	\$	\$
Other	\$	\$
<b>TOTAL EXPENSES</b>	\$	\$

## MONTHLY BUDGET TOTALS:

TOTALS	BUDGET AMOUNT	ACTUAL AMOUNT
Total Income	\$	\$
Total Expenses	\$	\$
<b>Spendable Income (income minus expenses)</b>	\$	\$

Know exactly where your money is going each month!

## Part 4: Select a Repayment Plan

During exit counseling you are presented with the various types of loan repayment plans. The payment amount, length, and total amount paid will vary depending upon your debt and the plan you choose. You can change your repayment plan type at any time by contacting your loan servicer. The following charts list a quick summary of the traditional and income-driven repayment plans. PLUS Loans, Consolidation Loans, and Federal Perkins Loans are not included as eligible loans under the traditional repayment plans. To group all of these loan types into one monthly payment you would need to do a loan consolidation.

### TRADITIONAL REPAYMENT PLANS

The following are traditional repayment plans all students will be presented with initially. Federal Perkins Loans are billed separately. If you would like them included in one repayment plan, then you may wish to consider a loan consolidation.

PLAN	ELIGIBLE BORROWERS	ELIGIBLE LOANS	QUICK COMPARISON
Standard Repayment Plan	All borrowers	Direct Subsidized and Direct Unsubsidized Loans	<ul style="list-style-type: none"> <li>• Time you have to repay: Up to 10 years.</li> <li>• Your payments will be a fixed amount of at least \$50 per month.</li> <li>• You'll pay less interest for your loan over time under this plan than you would under the other plans.</li> </ul>
Graduated Repayment Plan	All borrowers	Direct Subsidized and Direct Unsubsidized Loans	<ul style="list-style-type: none"> <li>• Time you have to repay: Up to 10 years.</li> <li>• Your payments               <ul style="list-style-type: none"> <li>• will start out low and will increase very two years;</li> <li>• must be equal to monthly interest due; and</li> <li>• will not be more than three times greater than any other monthly payment.</li> </ul> </li> <li>• You'll pay more for your loan over time than under the 10-year Standard Repayment Plan.</li> </ul>
Extended Repayment Plan	Direct Loan borrowers who have more than \$30,000 of Direct Loans to repay and who	Direct Subsidized and Unsubsidized Loans	<ul style="list-style-type: none"> <li>• Time you have to repay: Up to 25 years.</li> <li>• Your payments will be an amount that ensures that your loan will be paid in full in 25 years. You can choose to make either fixed or graduated payments (payments that start out low and then increase every two years).</li> <li>• Your monthly payments will be lower than under the 10-year Standard Repayment Plan.</li> </ul>
Revised Pay As You Earn Plan (REPAYE)	All Direct Loan Program borrowers	Direct Subsidized and Unsubsidized Loans	<ul style="list-style-type: none"> <li>• Time you have to repay: 20 years if all loans you're paying are for undergraduate study. 25 years if any loans you are repaying are for graduate or professional study</li> <li>• Your payments will generally be 10 percent of your discretionary income.</li> <li>• If you do not repay your loan after making the equivalent of 20 or 25 years of qualifying monthly payments, the unpaid portion will be forgiven. You may have to pay income tax on the amount that is forgiven.</li> <li>• You'll pay more for your loan over time than under the 10-years Standard Repayment Plan.</li> </ul>

See [studentaid.gov/repay](http://studentaid.gov/repay) for further details on repayment plans.



# SAMPLE PAYMENT CHARTS – TRADITIONAL PLANS

The following charts are designed to give you an indication of the amount of monthly payment you could have depending upon the repayment plan type you choose. The ‘Total Paid’ column gives you an idea of the total amount of interest you will have paid on the loan by the end of your repayment term.

*Note: All estimated payments shown on this page are calculated using a fixed interest rate of 8.25%. Your actual payment amount will be based on your interest rate and total loan debt. Your interest rate should be lower than this maximum rate.*

The STANDARD repayment plan is the most popular. More than 50% of students select this repayment plan.

Amount of Loan Debt	Standard Plan Repayment		Graduated Repayment Plan		
	Payment Amount	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$10,000	\$123	\$14,718	\$72	\$216	\$16,088
\$20,000	\$245	\$29,437	\$144	\$431	\$32,177
\$30,000	\$368	\$44,155	\$216	\$647	\$48,265
\$40,000	\$491	\$58,873	\$287	\$862	\$64,353
\$50,000	\$613	\$73,592	\$359	\$1,078	\$80,422

The Extended Repayment Plans are only available to students who have more than \$40,000 in federal student loan debt.

Amount of Loan Debt	Extended Fixed Repayment Amount		Extended Repayment Graduated Plan		
	Payment Amount	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$40,000	\$315	\$94,614	\$275	\$417	\$101,515
\$50,000	\$394	\$118,268	\$344	\$521	\$126,899

**You should use the Repayment Estimator at [StudentAid.gov/Repayment-Estimator](https://studentaid.gov/Repayment-Estimator) for a more accurate calculation of your specific monthly payment amounts.**



# SAMPLE PAYMENT CHARTS – INCOME-DRIVEN PLANS

These plans are all based on the amount of your income and family size. These sample charts assume a family size of one (not married with no children). It is assumed your initial income will increase by 5% per year for the purpose of these sample charts.

*Note: All estimated payments shown on this page are calculated using a fixed interest rate of 8.25% and the 2013 Poverty Guidelines. Your actual payment amount will be based on your interest rate and total loan debt. Your interest rate should be lower than this maximum rate.*

Income-Based Repayment Plan (IBR) for borrowers who are not new borrowers after 7/1/2014.

Amount of Loan Debt	Starting Income: \$25,000				Starting Income: \$40,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay	Initial Payment	Final Payment	Total Paid	Time to Repay
\$20,000	\$97	\$245	\$43,861	219 Months	Not Eligible			
\$40,000	\$97	\$491	\$89,628	300 Months	\$285	\$491	\$72,680	173 Months

Pay As You Earn (PAYE) for eligible borrowers and IBR plan for new borrowers after 7/1/2014.

Amount of Loan Debt	Starting Income: \$25,000				Starting Income: \$40,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay	Initial Payment	Final Payment	Total Paid	Time to Repay
\$20,000	\$65	\$245	\$38,488	240 Months	\$190	\$245	\$31,254	134 Months
\$40,000	\$65	\$309	\$40,127	240 Months	\$190	\$491	\$85,707	240 Months

Income-Contingent Repayment Plan (ICR)

Amount of Loan Debt	Starting Income: \$25,000				Starting Income: \$40,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay	Initial Payment	Final Payment	Total Paid	Time to Repay
\$20,000	\$151	\$199	\$43,436	249 Months	\$193	\$219	\$33,513	161 Months
\$40,000	\$225	\$423	\$96,630	274 Months	\$385	\$438	\$67,027	161 Months

## Part 5: Make Your Payments

Your loan servicer will provide you with a loan repayment schedule that states:

- When your first payment is due.
- The number and frequency of payments.
- The amount of each payment.

Your loan servicer will also give you the opportunity to pay any interest that accrued on your loans while you were enrolled in school and during grace or deferment periods. If you don't pay this interest, it will be capitalized. You are responsible for staying in touch with your loan servicer and making your payments, even if you do not receive a bill.

### Payments to Interest

You may be eligible to deduct a portion of the interest paid on your federal income tax return. Student loan interest payments are reported both to the IRS and to you on IRS Form 1098-E the Student Loan Interest Statement.

### Paying Off Your Loan Early

You may prepay all or part of your student loan at any time without penalty. Any extra amount you pay in addition to your

regular required monthly payment is applied first to any outstanding interest before being applied to your outstanding principle balance.

Keep in mind the minimum monthly payment amount on each loan must be paid before extra payments will be applied to the principle. When paying extra on the principle we recommend paying down the highest interest loan first. Contact your servicer for assistance in determining which loan to pay off first if needed. To pick which loan to pay down mail in the payment with a written request listing the specific loan number you want the extra payment applied to.

### Loan Rate Reduction

If you have a Direct Subsidized Loan or Direct Unsubsidized Loan that was first disbursed before 7/1/2012, then you may have received a loan rate reduction. You'll need to make all of your first 12 required monthly payments on time. If you fail to do so, the amount of the loan rate reduction you were given will be added back into the loan amount.

### Loan Consolidation

You may want to consider consolidating your federal loans. This process combines all your loans into one loan with one payment and one interest rate. Review your loans carefully before deciding. Wait until the end of your grace period to apply to avoid losing part of your grace period (repayment begins 45 days after consolidation). Use your best judgment on when to apply, the length of your grace periods for different loans and different loan types may vary. The loan consolidation application is available at [studentloans.gov](http://studentloans.gov).

Beware of private consolidation companies as many will cause you to lose the benefits associated with your federal loans. However, students with multiple private loans may wish to consider it for those loans. There are pros and cons of doing private loan consolidation. Make the best decision for your financial situation and take into consideration that your situation may change during your repayment period.

## Part 6: Stay Out of Default

There is no reason to default on your student loan during the first three years of repayment due to the number of options available to students. You have lots of options to help you get through repayment! Contact your servicer any time you are having difficulty. Remember that it is their job to help you get through the repayment of your loan. Explain your situation to them and they will advise you of your options.

If you are late or skip a payment you will be considered delinquent until the payments are made and the loan gets put back in current status. Late fees could be charged. Never just stop paying on your loan or ignore delinquency or default notices from your servicer. Here are just a few of the options available to help you:

- You may be able to change your repayment plan to one that is more affordable to you during this time.
- There are repayment plans that take into consideration your income and family size.
- You may be able to temporarily suspend making any payments for a period of time by qualifying for one of the many deferment or forbearance options available.
- You may consolidate your loans to make repayment more manageable.

There are many consequences of going into default on your student loan. It is easier to keep a loan from going into default than it is to get the loan out of default status. These are a few of the consequences associated with defaulting on your student loan:

1. **Acceleration** - You are immediately required to repay the entire unpaid amount of your loan.
2. **Fees Assessed** - Late fees including legal and court costs will be added to the balance due on your loan.
3. **Collections** - Your loans will be turned over to a collection agency.
4. **Tax Offset** - Federal and state income tax refunds may be withheld and applied toward paying down your debt.
5. **Wage Garnishment** - Your employer may be notified and required to forward a percentage of your paycheck to the federal government to pay down the debt (includes disability payments).
6. **Credit Score** - The default status will be reflected on your credit report (no time limit).
7. **Eligibility Loss** - You will no longer qualify for deferments, forbearances or adjusting the repayment plan type.
8. **Financial Aid** - You will not be eligible for any future federal aid until the default status is cleared.

The defaulted status will not disappear over time. This debt does not get discharged in bankruptcy like other types of debt. The status will remain on your credit report until it is resolved. Keep in mind that it will likely take you at least six months of on-time monthly payments to rehabilitate your loans. If you can successfully rehabilitate your loan it will no longer be in default. Loan consolidation may be available to help you get out of default.



A division of NSLP

SUNY Canton has contracted with a company named INCEPTIA. If you get 60 days or more behind in your student loan payments, then INCEPTIA will reach out to you on our behalf to try to help you get current on your loan. They can work as a go between for you and your servicer. They are not debt collectors.



Remember that SUNY has a financial literacy tool available free to all students. This software is designed to help you make informed financial decisions. Visit [www.suny.edu/smarttrack](http://www.suny.edu/smarttrack) for more information.

## Part 7: Loan Forgiveness, Cancellation & Discharge

In addition to being eligible for one of the income-driven repayment plans that include loan forgiveness at the end of the repayment term, there are other programs you may qualify for. You may qualify to have some or all of your loan amount forgiven if you work in certain qualifying jobs. There are even some cases where all or part of your loan could be cancelled. See [studentaid.gov/forgiveness](http://studentaid.gov/forgiveness) for more detailed information.

Loan forgiveness programs are offered by the federal government, state government, and employers including membership associations. Here we have listed for you some of the most common programs in this category.

### Public Service Loan Forgiveness Program

To qualify for this program you must be working in a public service qualifying job while making 120 payments and be in a certain repayment plan. Any remaining balance on your loan will be forgiven at the end of the 120 payments. Since the standard repayment plan is 120 payments, you would really need to be in an income driven repayment plan to benefit.

Currently this is the only program that forgives the remaining balance after the 120 payments tax free. With loan forgiveness built into the income driven repayment plans, balances on those that are forgiven are subject to taxation. Check with your employer or servicer to see if your job qualifies for this program. For example, most SUNY Canton employees are eligible for this loan forgiveness program.

### New York State Get On Your Feet Loan Forgiveness Program

You can apply for this program within two years of receiving your degree. You must enroll in the Pay As You Earn income driven repayment plan. If you meet all of the other qualifications for this program, then New York State will make the payments on your student loan for the first two years. That's right, you would pay \$0 per month for two years! Part of the agreement is that you will continue to reside and work in New York State for five years. The payments made by New York State may be taxable.

### Teacher Forgiveness and Cancellation

There are many programs and employers that offer these types of options for qualifying teachers. If you are going into the teaching field be sure to investigate all of your opportunities.

### Total and Permanent Disability Discharge

If you become disabled and meet the criteria to qualify for a permanent disability, then the full amount of your loan debt could be discharged. The process is similar to qualifying for Social Security Disability benefits.

### Bankruptcy

It is extremely rare that a federal student loan will be discharged in a bankruptcy case. As a result most lawyers do not even request it as part of the proceedings. If you file for bankruptcy you will likely see that your student loan debt will not be discharged while other debts are.

## Part 8: Resolve Problems Quickly

If you have a problem related to your federal student loan, the first step is to contact your loan servicer and discuss your situation with them. When should you contact your loan servicer?

- ▶ Change your name, address, or phone number.
- ▶ Need help making your monthly payment.
- ▶ Are called to active duty with the US armed forces for more than 30 days.

Remember that the SUNY Canton Financial Aid staff members can assist you with basic questions and give you advice on your student loans. Be sure to contact us if you get confused or concerned about an issue with your loans.

## Part 9: Buyer Beware

Beware when dealing with an unknown company. Identity theft is becoming a more common issue in the financial aid world. You should not have to pay a fee when applying for federal or state loan forgiveness, consolidation, or when changing repayment plans. Many times private companies will charge you a fee to do something that you can easily do on your own for free. They have also been known to send misleading information like stating you are behind in payments when you've never made a single late payment. While not all companies are bad, be sure to investigate who you are dealing with before providing them with any of your confidential identification information.

## FINANCIAL AID TERMS DEFINED

**Capitalization:** Addition of unpaid interest to the principle balance of a loan. If the interest is not paid as it accrues during the time when you are in school or grace and the lender may capitalize that interest.

**Default:** Failure to make your monthly loan payments for 270 days or more as stated on the Master Promissory Note.

**Deferment:** Suspends repayment for a set period of time. Interest may continue to accrue on the loan.

**Forbearance:** Suspends payments for a set period of time. Interest will continue to accrue on the loan.

**Grace Period:** A period of time after you graduate, leave school, or drop below half-time before you are required to make payments.

**Interest:** Loan expense charged for the use of borrowed money. Interest is paid by a borrower to a lender. The expense is calculated as a percentage of the unpaid principle amount of the loan.

**Loan Consolidation:** Combining multiple loans into one single loan with a fixed interest rate.

**Loan Servicer:** Company that you have to pay a loan back to. Loan holders use a loan servicer to collect payments and respond to questions about your account. The loan holder could be the same as the loan servicer.

**Loan Holder:** The organization that holds the master promissory note for your loan (they “own” your loan). The Department of Education is the loan holder for all Federal Direct Loans. The loan holder for all Federal Perkins Loans at SUNY Canton is the SUNY Student Loan Service Center.

**Master Promissory Note (MPN):** A legally binding document that you signed before receiving your first federal loan. It lists the terms and conditions under which you agree to repay the loan and explains your rights and responsibilities as a loan borrower.

**Principle:** Total sum of money borrowed plus any interest that has been capitalized.



## ONLINE RESOURCES

**Basic Information on Federal Student Aid**

**[www.studentaid.gov](http://www.studentaid.gov)**

**Exit Counseling & Loan Documentation**

**[www.studentaid.gov](http://www.studentaid.gov)**

**National Student Loan Database System (NSLDS)**

**[www.nslsds.ed.gov](http://www.nslsds.ed.gov)**

**SUNY Student Loan Service Center (SLSC)**

**[slsc.albany.edu](http://slsc.albany.edu)**

**New York State Aid Program Information**

**[www.hesc.ny.gov](http://www.hesc.ny.gov)**



