

## Loan Servicing Primer

### Loan Servicing Update and Tips for Working Effectively with Loan Servicers Class of 2015 Dental School Graduates

One of the most important relationships you will have as you manage your student loans after graduation from dental school is with your loan servicer. The more informed you are regarding what you have borrowed, the more productive and efficient your relationship with your loan servicer is likely to be. Many dental school graduates in the Class of 2015 will find they have one loan servicer for all their federally owned loans.

#### Terms You Should Know

##### Loan Servicer

- Organization your lender or current holder contracts with to help you with repayment, including processing your request for a specific repayment plan, as well as requests for deferment or forbearance.
- You should be able to find your current loan servicer for any Stafford, Grad PLUS, Federal Direct Consolidation, and Perkins loans you have on the National Student Loan Data System (NSLDS) website at [www.NSLDS.ed.gov](http://www.NSLDS.ed.gov). Simply click on the number to the left of each loan on *the Financial Aid Summary* (front) page and you will see additional information on that loan, including the loan servicer name, address and phone number.
- Loan servicers are required to notify borrowers when they acquire the servicing rights for a borrower's loan(s). *This is all the more reason to keep your address and contact information current and to open all loan-related correspondence in a timely fashion.*
- See [www.StudentLoans.gov](http://www.StudentLoans.gov) (see Managing Repayment) for more information.

##### Direct Loans and Federal Family Education Loans (FFEL)

- Direct loans (William D. Ford Federal Direct Loan Program):
  - Stafford, Grad PLUS and Federal Direct Consolidation Loans taken out “directly” from the federal government
  - All Stafford and Grad PLUS Loans from the 2010–11 academic year will be in the direct loan program, so all your Stafford and Grad PLUS loans from dental school should be from the direct loan program.
  - You will see the word “Direct” in front of the loan name.
- FFEL Loans:
  - Stafford (both Subsidized and Unsubsidized), Grad PLUS and Federal Consolidation Loans taken out from a private lender (for example, Bank of America, Wells Fargo, Citibank, Sallie Mae).
  - You may have some FFEL loans from undergraduate and/or post-baccalaureate.
  - *FFEL loans are not private loans, they are federal loans from a private lender.*

## **Important Loan Servicing Updates**

1. You should have one loan servicer for all your federally owned loans, including all the direct Stafford and direct Grad PLUS Loans you may have had while in dental school.
2. Some borrowers have federal loans from undergraduate and/or post-baccalaureate programs that were sold to the federal government. You would have been notified about this and these loans should be serviced by the same loan servicer for your direct loans.
3. Effective January 2014, borrowers who consolidate may select one a servicer to process their direct consolidation loan application and service the new loan (see Consolidation Primer).

## **Tips for Working Effectively with Your Loan Servicer(s)**

1. Always document your calls, no exceptions. Note who you speak with, the date and time of your call(s), and what you are told.
2. Document when, where or to whom you send documents, and confirm their receipt. This includes repayment plan requests and requests for deferment/forbearance.
3. Ask your loan servicer(s) if they are making anecdotal comments during the call. You may need to reference this later, to ensure consistency of information
4. Respectfully ask to speak with a supervisor. You have this right as a borrower if you either cannot understand the person you are speaking with and/or feel the information being provided may be inaccurate and/or incomplete.
5. Semantics are important. Do not refer to a “forbearance” as a “deferment,” as they are not the same thing, and don’t refer to a FFEL loan as a “private loan” (see section on FFEL).
6. Follow-up is critical. Confirm that your loan servicer(s) have taken any actions you have requested or that they have indicated they would take.
7. Open and read your mail. Keep any correspondence you receive from your loan servicer(s).
8. Keep your contact information current at all times. Never put yourself in a position where you loan servicer cannot find you.

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*While ADEA seeks to ensure that all information provided is current and accurate as of February 1, 2015, it disclaims any responsibility for subsequent changes or for errors, omissions or contrary interpretation of the subject matter.*

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