

# Got a Federal Student Loan?

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## Be a Responsible Borrower!

- A loan, unlike a grant, is borrowed money that must be repaid.
- You must repay your loan even if you didn't like the education you received or you can't find a job after you graduate.
- You must keep your lender informed of any changes in your name, address, telephone number, Social Security number, or school enrollment status.
- You must make payments on your loan even if you don't receive a bill or repayment notice. Billing statements are sent to you as a convenience, but you have to make payments even if you don't receive any reminders.
- You can prepay the whole loan or any part of it at any time without penalty. This means you are paying some of the loan before it's due.
- If you apply for deferment\*, forbearance\* or consolidation\*, you must continue to make payments on your loan until you have been notified that your request has been processed and approved.
- Your student loan account balance and status will be reported to national credit bureaus on a regular basis. Just as failing to repay your loan can damage your credit rating, repaying your loan responsibly can help you establish a good credit rating.
- The consequences of defaulting (failing to pay according to your loan contract) on a federal student loan are severe and long lasting. For example, you might not be able to buy a car, and your federal income tax refund could be applied to your student loan balance instead of being sent to you.
- There are repayment options available to assist you if you're having trouble making payments.

Need more information? Check out *Your Federal Student Loans* at [www.FederalStudentAid.ed.gov/repayingpub](http://www.FederalStudentAid.ed.gov/repayingpub). If you don't have Internet access, call **1-800-4-FED-AID (1-800-433-3243)** and ask for a copy of the book to be sent to you.

\* *Deferment and forbearance are ways of putting off or temporarily reducing loan payments. Consolidation means combining two or more federal student loans into a single loan. For details about these terms, read Your Federal Student Loans.*

