

Important Information to Students Who Consolidated Loans While Still in School

Now that you have applied to consolidate one or more of your eligible federal loans while still in school, you will receive several communications from your loan holder(s)/servicer(s) relating to repayment and deferment of these loans.

Because you are still in school, each loan to be consolidated must be placed in repayment to be eligible for consolidation. Current federal regulations require that the loan holder/servicer send you a **repayment schedule** once a loan is in repayment. Don't worry, it does not mean you have to start making payments right away — unless you have graduated or withdrawn from school. If you're still enrolled at least half-time in your program of study, you're eligible for an **in-school deferment** on the loan. This should be applied automatically by your loan holder/servicer once the loan is in repayment. When the loan is placed in deferment, the loan holder/servicer will send you written confirmation of that deferment.

Similar communications will be sent to you regarding your Federal Consolidation Loan once that loan is funded. A chart explaining this information is given below.

For more information, contact your loan holder/servicer.

| <i>Action by the holder/servicer</i> | <i>Information you will receive from the loan holder/servicer</i> |
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| The original loan being consolidated is placed in early repayment (<i>per your request</i>) | Repayment schedule is produced and mailed to you by loan holder/servicer |
| Loan being consolidated is then placed in an in-school deferment if you are still in school (<i>typically occurs within 24 hours</i>) | Written confirmation of deferment is produced and mailed to you by loan holder/servicer (<i>Deferment continues as long as you are enrolled at least half-time or until loan is consolidated, whichever comes first.</i>) |
| Federal Consolidation Loan is funded and the original loan that is in deferment is paid off | Disclosure statement/repayment schedule is produced and mailed to you by consolidation loan holder/servicer (<i>Consolidation loan enters immediate repayment.</i>) |
| Federal Consolidation Loan is then placed in an in-school deferment if you are still in school (<i>typically occurs within 24 hours</i>) | Written confirmation of deferment is produced and mailed to you by consolidation loan holder/servicer (<i>Deferment continues as long as you are enrolled at least half-time.</i>) |