



# Maximize your default prevention calls.

Keep your cohort default rates down by providing default prevention to your students.

## Scripts

Use these scripts as a guide for making successful default prevention calls.

**Tip:** Before contacting a borrower, make sure you have the complete picture of their student loan history by first logging onto the National Student Loan Data System (NSLDS).

### If the call is answered:

Hello. May I speak with [borrower name]?

### If the call is answered by the borrower:

[Borrower name], this is [your name] from [school name]'s financial aid office. This is a courtesy call regarding your student loans.

We have received notice that you may be delinquent on your loan(s). I want to make sure you're getting your statements at [address on file]\* from [lender(s) listed on NSLDS].

*\*This will allow you to update your records if the borrower's address has changed.*

### If borrower is receiving statements:

Let's talk about some different deferment and repayment options that might fit your situation.

See chart on page 2 for common deferment and repayment options to discuss with the borrower.

### If borrower is not receiving statements:

In order to keep your loan in good standing and avoid negative reports on your credit, please contact your lender(s) to make sure they have your current address.

Give the borrower their lender's contact information from NSLDS.

### If the call is answered by a third party:

This is [your name] from [school name]. Is there a better way to reach [borrower name] or a better time to call?

### If yes, take down the information provided, as well as leaving a message with the third party:

I will use this information to try to contact [borrower name].

Will you ask [borrower name] to return my call at [phone number]? My office hours are [your office hours].

Thank you for your time.

### If no, leave a message with the third party:

Will you please have [borrower name] return my call at [phone number]? My office hours are [your office hours].

Thank you for your time.

**Tip:** It is important to protect the borrower's privacy by not disclosing too much information. If the third party asks why you're calling, keep your answer simple and vague. Example: This is a courtesy call regarding our records.

### If the call goes to voice mail:

Hello. This is [your name] from [school name]. This message is for [borrower name]. Please return my call at [phone number]. I'm available from [your office hours]. Again, my number is [phone number], and my name is [your name]. I'm looking forward to your call. Thank you and have a nice day.

## Common Deferment Options

In School	Borrower is enrolled in school at least halftime.
Unemployment	Borrower is unemployed or working less than full time.
Economic Hardship	Borrower is receiving public assistance or working full time, but making less than 150% of the poverty guideline for their family size and state.
Education Related	Borrower is engaging in a graduate fellowship, internship/residency or rehabilitation training program, or is teaching in a teacher shortage area.
Military Service	Borrower is serving on active duty during a war, national emergency or other military operation.

## Repayment Plan Options

Standard	This plan has a 10-year term. It's the most financially effective way to repay student loans while minimizing interest costs.
Graduated	Monthly payments begin low, then increase gradually over time.
Extended	For this plan, the borrower must have loans totaling more than \$30,000, and the repayment term can be up to 25 years.
Income-Sensitive	This plan is only available for FFELP loans. Monthly payments are adjusted based on gross monthly income, and must cover accruing interest. This plan must be renewed each year.
Income-Based	Monthly payments are capped at a percentage of the borrower's discretionary income and factor in family size and total amount borrowed. Monthly payments are adjusted each year based on changes in gross income and family size. The term has a 25-year limit; any remaining debt after 25 years is forgiven.
Pay As You Earn	This plan is only available for Direct loans. Monthly payments are adjusted annually based on income and family size. Payments are 10 percent of discretionary income, but will never be more than they would be under a Standard Repayment Plan. The term has a 20-year limit; any remaining debt after 20 years is forgiven.
Income-Contingent	This plan is only available for Direct loans. Monthly payments are adjusted annually based on income, family size and the total amount of loan(s). The payment term has a 25-year limit; any remaining debt after 25 years is forgiven. The amount forgiven may be taxable income.