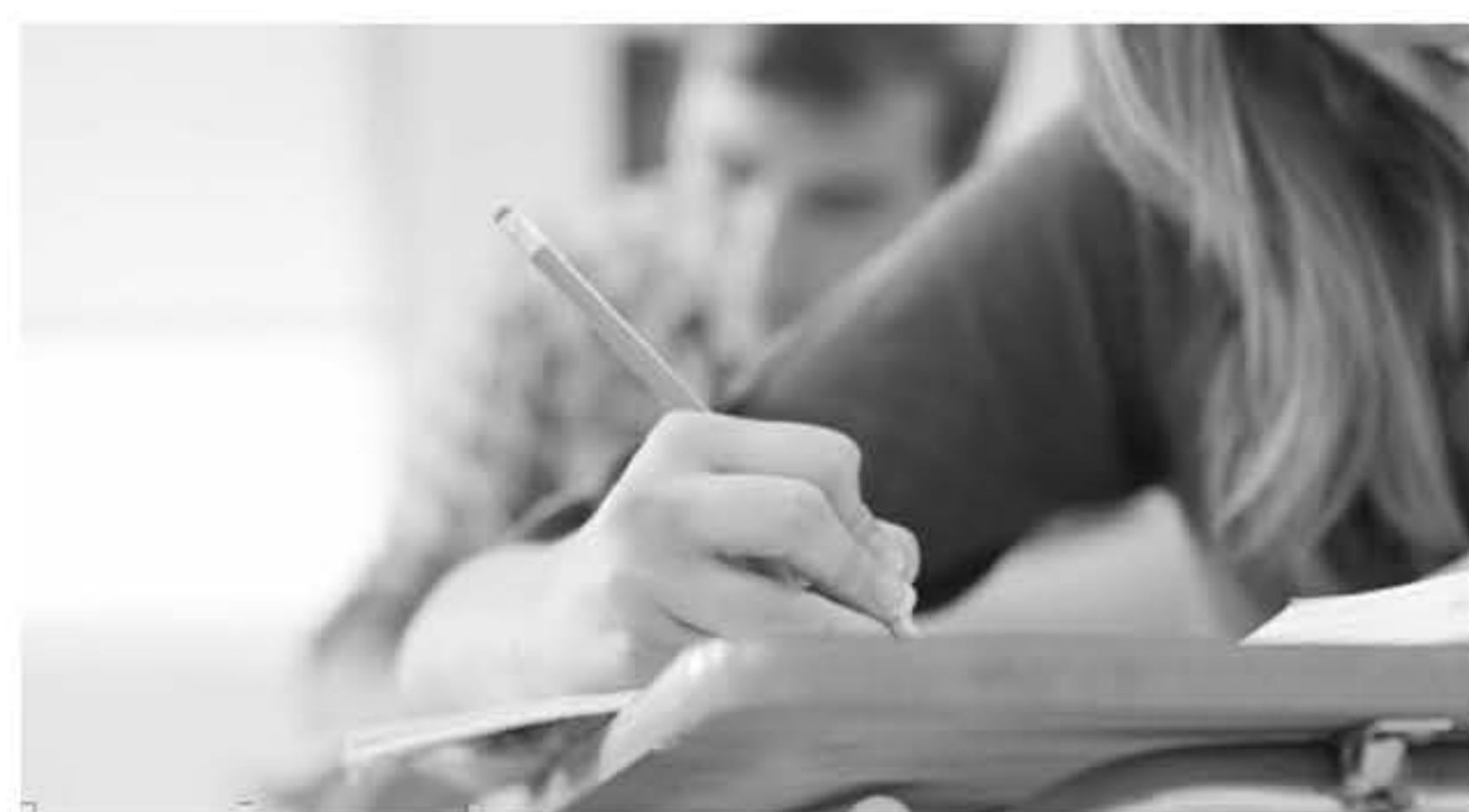




Seven steps to successful student loan payment



As graduates begin their careers in a challenging economic environment, America Saves and Sallie Mae® are pleased to offer the following student loan repayment tips to help graduates successfully pay down their debt.

- 1 Know how much you owe each month.** Keep track of what you spend for one month and create a budget that includes your student loan payment. You may find that you will need to cut out unnecessary items in order to pay down your debt or that you can pay a little extra each month to pay down your debt even faster. Contact your student loan servicer or visit their website to calculate different payment scenarios that best fit your budget and personal situation. Proactively planning payments helps save you time and money!
- 2 Make payments automatic.** Signing up for automatic debit is an easy option that electronically deducts payments from your checking or savings accounts, saving you time, stamps and, most importantly, providing you with peace of mind that you have made your loan repayment on time. Bonus: many servicers may even provide you with a lower interest rate just for signing up!
- 3 Make payments each and every month.** Resist the option of putting off your payments, as deferment or forbearance typically mean you'll pay more over the life of the loan. It's empowering to tackle your payments now.
- 4 If you do fall behind, get help.** Call your loan servicer to discuss your options – or if they are calling you, answer the phone. A different payment plan or a temporary postponement of payments may give you the extra time you need. If you need help organizing your finances, a licensed nonprofit consumer credit counseling service can offer free budget counseling.
- 5 Update your servicer with any changes.** If your situation changes, your student loan servicer needs to know about it. Keep your loan servicer updated with any change in mailing address, email, and phone numbers. Accurate personal details will help ensure you receive all the information you need about your payment due dates, helping you stay on track, no matter what the change in your situation.
- 6 Beware of scams!** Some fraudulent companies might claim to offer you easy ways to erase or lower your loan payments. If you have any doubt about services being offered, get in touch with your student loan provider.
- 7 Build an emergency fund in case of unpredictable circumstances.** Aim to save \$500 to \$1,000 to meet unexpected financial challenges like paying a parking ticket, repairing the brakes on your car, or covering dental expenses. Saving even the small amounts each month can add up to give you peace of mind to know you can weather financial emergencies, while continuing to pay down your student loan.

These simple tips can be the key to financial success for recent graduates. For more information about saving money and paying for college, please visit www.americasaves.org and www.collegeanswer.com.

America Saves, launched in 2001, is an initiative of the Consumer Federation of America involving more than 1,000 non-profit, government, and corporate groups that encourages individuals and families to save money and build personal wealth.

Sallie Mae is the nation's No. 1 financial services company specializing in education. With products and services that include 529 college savings plans, Upromise rewards, scholarship search tools, education loans, insurance, and online banking, Sallie Mae offers solutions that help families save, plan, and pay for college.

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