

FORGIVABLE EDUCATION LOANS FOR SERVICE (FELS)

CASH REPAYMENT

You made a commitment to repay this loan when you signed the promissory note accepting financial assistance from the NCSEAA. If you cannot repay the loan through loan forgiveness, then you must repay it in cash within ten (10) years of graduation, completion, or withdrawal from the FELS program. You may repay the loan in one lump sum or remit monthly installment payments. Please contact Repayment Services for a payoff amount should you decide to repay the loan in one lump sum. If you opt to repay the loan in monthly installments, you will be billed monthly by the NCSEAA.

Payments are due on the first day of each month and should be mailed to:

NCSEAA - Repayment Services
P.O. Box 14002
RTP, NC 27709-4002

When is my first monthly payment due?

Your first billing statement will be mailed on the next billing cycle after the expiration your one-hundred and eighty (180) day grace period. Payments are due on the first day of each month and statements will be mailed to the current address on record. It is your responsibility to notify the NCSEAA promptly of any name or address change. You must include your NCSEAA Personal Identification Number (PID) on checks or money orders to ensure accurate credit to your account.

When does interest begin to accrue on this loan?

Interest at the rate of eight percent (8.0%) begins to accrue at disbursement and continues until the loan is paid in full.

Is there a penalty for prepayment of this loan?

There is no prepayment penalty should you decide to pay off this obligation early. Please contact Repayment Services at 549-8614, ext 4654 or (800) 700-1775, ext 4654 for the correct payoff amount.

What should you do if you cannot remit a payment when due?

If you cannot remit a scheduled payment when it is due, you are responsible for contacting the NCSEAA prior to the due date for assistance. You may be eligible to temporarily postpone or delay payments; however, you must submit a [Postponement Request Form](#) to the NCSEAA for approval. See [FELS Program Rules](#), section .0409,

for eligible deferments. You must continue to remit your scheduled payment until you receive deferment approval from the NCSEAA.

Does interest continue to accrue during periods of approved deferment?

Yes. Interest at the rate of eight percent (8.0 %) will continue to accrue during periods of approved deferment.

What should I do if I do not qualify for deferment? Are there other options available for borrowers who are experiencing financial difficulty?

Yes. You may apply for a temporary payment reduction by submitting a [Financial Statement](#) to the NCSEAA. You must continue to remit your scheduled monthly payment until you receive approval from the NCSEAA.

Can I consolidate my FELS loan?

No. Consolidation is an option available for federal loan borrowers. The FELS loan program is funded by the State of North Carolina.

Can I cease remitting cash payments if I become eligible for loan forgiveness?

You may cease remitting cash payments once you qualify for loan forgiveness. Click on the FELS [Loan Forgiveness](#) link for information on how to apply for loan forgiveness.

I am disabled and unable to work or pay the loan in full. What options are available to avoid default?

If your disability is permanent and total, you may be eligible to have your loan cancelled. You must complete a [Disability Request Form](#) and have your disability certified by a licensed physician.

What are the consequences of default?

The NCSEAA will pursue collection actions to collect the balance due on your account should you fail to repay your FELS loan as promised. You will lose the eligibility to receive future State-funded education assistance and derogatory credit information may be reported to national credit reporting agencies. Collection actions may include the following:

- Refer your account to an external collection agency;
- Seize your State tax refunds;
- Contact your employer, if you are a State employee, for wage garnishment up to 10% of your disposable income;
- Refer your loan to the State Attorney General’s Office for collection/legal action.

Whom should I contact if I have additional questions concerning my FELS loan?

Additional information is available in the [FELS Rules and Regulations](#) or you may contact Repayment Services staff at [Contact Us](#) between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

[FELS REPAYMENT HOME](#)