NCSEAA LOAN REHABILITATION PROGRAM

You may become eligible to have your Federal Family Education Loan Program loans with NCSEAA removed from default by completing the form below and returning it promptly to NCSEAA to participate in our Loan Rehabilitation Program. Once you make at least nine (9) consecutive, voluntary, timely, monthly payments (including payments you may already have made in recent months) in amounts satisfactory to NCSEAA under a reasonable and affordable repayment plan, your loans could then be rehabilitated and returned to the original servicer, College Foundation, Inc. (CFI), for regular servicing.

The benefits of loan rehabilitation include: the immediate improvement in your credit record by the removal of the default entry from your credit history; the discontinuance of legal or other adverse collection activity against you (such as tax offsets and wage garnishment); and the reinstatement of your eligibility for repayment forbearances and deferments and for additional Title IV federal financial aid.

If your loans remain in default with NCSEAA, they will be assessed estimated collection costs of up to 25% of principal and interest due. However, if you rehabilitate your loans, these future costs would be eliminated and in their place a one-time fee would be assessed of 18.5% of the outstanding principal and interest that would be added to your loan balance.

Although a borrower’s monthly payment amounts may increase upon rehabilitation, we have found in many cases that the monthly amounts do not increase and may in fact actually decrease, depending on a borrower’s choice of the various repayment plans that become available to them once their loans are returned to CFI.

For your loans to be eligible for rehabilitation, NCSEAA must not have a judgment against you on those loans, the principal and interest balance on the loans at the time of rehabilitation must be at least $100, and the loans must not be “ineligible” loans (i.e., loans which you were not originally eligible to receive). This program applies to federal loans only. Your loans may remain subject to federal and state offsets that occur prior to the scheduled completion of rehabilitation. You may contact us in writing at the address below if you object to the terms of rehabilitation. For general questions, please call us at 800-544-1644.

To participate in Loan Rehabilitation, please complete this form and mail or fax it to us as soon as possible. NCSEAA will notify you in writing once your loans are rehabilitated.

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Loan Rehabilitation Agreement

I understand the benefits and conditions of NCSEAA’s Loan Rehabilitation Program listed above and request that my defaulted federal loans be rehabilitated if and when they become eligible. Once I have made at least nine (9) consecutive, voluntary, timely, monthly payments (including payments I may already have made in recent months) in amounts satisfactory to NCSEAA, and if I am otherwise eligible, I agree to have my loans rehabilitated. Upon rehabilitation NCSEAA will remove my loans from default and return them to the original loan servicer, College Foundation, Inc. (CFI), for regular servicing.

Borrower name ________________________________

NCSEAA Account Number ______________________

Borrower Signature: __________________________ Date: ______________

Current Telephone Number: ______________________

Reference name ________________________________ Reference phone ______________

Mail this form to: NCSEAA, PO Box 14002, RTP, NC 27709, or fax it to 919-248-6619