

Exit Counseling Requirements

Use the following checklist to ensure you are providing all essential information during exit counseling for your borrowers.

Acceptable Formats

- In person
- Audiovisual presentation
- Interactive, electronic means
- If borrower withdraws without school's knowledge or fails to complete counseling, the following are acceptable formats:
 - interactive, electronic means
 - mail written materials to student's last known address within 30 days of learning about withdrawal

Required Information

- Average anticipated monthly repayment based on either:
 - borrower's indebtedness
 - average indebtedness of Stafford and Grad PLUS borrowers, as applicable for attendance at same school or in same program of study at school
- Description of different features of each repayment plan:
 - samples of average anticipated monthly payments under each plan
 - difference in interest paid and total payments under each plan
- Use of Master Promissory Note (MPN)
- Debt management strategies designed to facilitate repayment
- Repayment options:
 - prepay loan
 - pay loan on shorter repayment schedule
 - change repayment plans
- General description of terms and conditions of:
 - forgiveness and cancellation provisions
 - forbearance and deferment options
- Seriousness of obligation to repay
- Borrower must pay even if:
 - does not complete program
 - does not complete program within regular time for program completion
 - unable to obtain employment
 - otherwise dissatisfied

- Consequences of default to include:
 - adverse credit reports
 - federal delinquent debt collections procedures
 - litigation
- Effect of consolidation:
 - on total interest and fees
 - length of repayment
 - on underlying loan benefits:
 - grace periods
 - forgiveness
 - cancellation
 - deferment
 - option to prepay loan or change repayment plans
 - borrower benefits may vary among lenders
- Types of tax benefits that may be available
- Availability of NSLDS and how to access to obtain Title IV loan status information
- Availability of the Ombudsman's office
- How to contact the party servicing the student's loan
- A printed or electronic copy of the information the secretary makes available pursuant to section 485(d) of the HEA
- Borrower is required to provide current information:
 - name
 - address
 - Social Security number
 - references
 - driver's license number and state of issuance
 - expected permanent address
 - address of next of kin
 - name and address of expected employer, if known
- School must provide borrower's current information to guarantor within 60 days
- School must maintain documentation of compliance for each student borrower