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**From:** Redacted by HELP Committee  
**Sent:** Monday, November 17, 2008 10:32 AM  
**To:** Redacted by HELP Committee  
**Subject:** RE: Ecpl Laon Help [REDACTED]

Very good information! I'll print this out.

Redacted by HELP Committee

Student Loan Advisor  
ECPI, ATI, MCI, Culinary Institute  
Redacted by HELP Committee

-----Original Message-----

**From:** Redacted by HELP Committee  
**Sent:** Wednesday, November 12, 2008 2:05 PM  
**To:** Redacted by HELP Committee  
**Subject:** RE: Ecpl Laon Help [REDACTED]

Beginning with 2009 the 3 yr default range phase in starts. This will certainly cause an increase in the default rates, not to mention what effect the state of our economy will have on rates. There are benefits to low rates overall school reputation, 3 consecutive yrs rates below 10% qualifies school for exemption in loan disbursements and then there's the negative side. If school has 2 yr consecutive 25% or greater rates there are sanctions requiring default prevention plan as well as lender relationship with school (of which I don't know details without research). Once the 3 yr phase in reached the lower rate of 15% qualified school for exemption and threshold of 30% for sanctions will begin. This is causing restructure from admissions through default management departments.

Our counseling efforts regarding alternate repayment are limited to something like 'servicers offer alternate repayment plans to reduce monthly payments, contact (servicer) for details. How's that!!

Definitely starting with 2009 accounts when talking with borrowers (and this is a judgment from your feel of the conversation whether student is receptive of your call) counseling to include something like - There are several options to postpone payments as well as alternate repayment plans offered by servicer. We want to determine (when possible) student's situation, working or unemployed followed by determining if student qualifies for either. If you need me to give you details of qualification just let me know I'll be glad to do so. Towards end of conversation of discussing forbearance I let student know interest continues to accrue on account during the forbearance period. The advantage to using forbearance option is the payments are temporarily postponed and account no longer delinquent. Those students you get that don't want to talk just do what you can to get the form to them. Now is a good time to update the memo used with mailings. I'll email you the one I use after updating to include alternate repayment plans.

You may notice my comments in db are a bit detailed to attempt to cover all aspects of my 'counseling' attempts. Just for the concern Redac has about us focusing on forbearance. My comments often would show we're not only focusing on forbearance.

-----Original Message-----

**From:** Redacted by HELP Committee  
**Sent:** Wednesday, November 12, 2008 2:08 PM  
**To:** Redacted by HELP Committee  
**Subject:** RE: Ecpl Laon Help [REDACTED]

What kind of a huge impact? I take it badly.

I hope we do get better or more references. Its amazing to me that they put the minister from childhood, their family MD who only sees them when they have a cold, etc. etc. I have made the changes to my email, but I will probably be calling you when I hear from students who want to reduce their payments. I'm not sure how to counsel them on that. Also, I was wondering - when I talk to a student about a forbearance, should I be explaining in detail as well that their interest will be accruing? It's a tough situation we are in, because once I get a student on the phone they don't really want to talk. They appear to have a chip on their shoulder. Once I mention postpone they pick up their tone a bit. So I do make my phone calls short and to the point and get them off the phone quickly.

**Redacted by HELP Committee**

Student Loan Advisor  
ECPI, ATI, MCI, Culinary Institute  
**Redacted by HELP Committee**

-----Original Message-----

From: **Redacted by HELP Committee**  
Sent: Wednesday, November 12, 2008 12:51 PM  
To: **Redacted by HELP Committee**  
Subject: RE: EcpI Laon Help [REDACTED]

Hey, good for you getting his attention. The 3 yr cohort period has **Redacted by** making changes. This could have a huge impact on the college. I mentioned the reference issue to **Redac**Friday, glad to see immediate action taken. We'll see how many are actually loaded to Cvue.

Make the slight change to your emails sent. thanks

-----Original Message-----

From: **Redacted by HELP Committee**  
Sent: Wednesday, November 12, 2008 1:41 PM  
To: **Redacted by HELP Committee**  
Subject: RE: EcpI Laon Help [REDACTED]

Good for you, Reda. We seem to have Jeff's ear today. Anything else we should bring up?  
Ha.

**Redacted by HELP Committee**

Student Loan Advisor  
ECPI, ATI, MCI, Culinary Institute  
**Redacted by HELP Committee**

-----Original Message-----

From: **Redacted by HELP Committee**  
Sent: Wednesday, November 12, 2008 12:39 PM  
To: Arthur, Jeff; **Redacted by HELP Committee**  
Subject: RE: EcpI Laon Help [REDACTED]

I've noticed some servicers limit the verbal forbearance request to 6 months, hardcopy approved for 12 months unless borrower specifics shorten period. Edfinancial will not accept forbearance request if account exceeds 270 days delinquent.

My response to negative spin is debt increases and increases also if loan isn't placed in forbearance/deferment and defaults resulting in accrued interest and collection costs.

Will modify messages as suggested.

-----Original Message-----

From: Arthur, Jeff  
Sent: Wednesday, November 12, 2008 12:39 PM  
To: Redacted by HELP Committee  
Subject: RE: EcpI Laon Help [REDACTED]

This is great!

Are you seeing any reluctance to work with students on forbearances by lenders? Will they still be as feasible for a student who needs it for another year when the formula changes?

Concerns: We could have some criticism coming (already have actually, but hasn't resulted in any kind of policy or regulatory response) regarding schools postponing defaults until the cohort is up. A legislative assistance group recently put a negative spin on this practice saying that debt is just increasing and increasing through the use of forbearance. Of course we know that it is a far more desirable result than a default! One action we will take to address comments that all we care about is the cohort, is by expanding our efforts before delinquency and beyond the cohort in order to demonstrate that we have concern in general, not just for the cohort.

The other concern: I think we need to modify our message to students slightly. The first message to this former student appears to focus entirely on forbearance. We do know that it is the only successful answer most of the time, but we should modify the message something like:

Please give me a call or reply to this email as soon as possible. I would like to help you with options that include postponing payments, reducing payments through different plans, etc....

Basically everything you said, but let it show some options that include paying something in addition to forbearing payments.

-----Original Message-----

From: Redacted by HELP Committee  
Sent: Wednesday, November 12, 2008 10:57 AM  
To: Redacted by HELP Committee  
Cc: Arthur, Jeff  
Subject: RE: EcpI Laon Help [REDACTED]

Are we good or are we good!!!

Redacted by HELP Committee  
Student Loan Advisor  
ECPI, ATI, MCI, Culinary Institute  
Redacted by HELP Committee

-----Original Message-----

From: Redacted by HELP Committee  
Sent: Wednesday, November 12, 2008 9:43 AM  
To: Redacted by HELP Committee  
Subject: RE: EcpI Laon Help [REDACTED]

Wow, this will be #10 frb/dfrr submitted this week and I'm waiting on a fax right now. Also, there are a few that have called servicer to request frb due to our calls.

-----Original Message-----