

**MANAGING  
WHAT YOU  
OWE**

# ACTION PLAN



There are lots of options to pay for school. No matter your situation, there are a few things important things you can do today to manage what you borrow so you can hit the ground running after graduation.

## FINANCIAL AID

What borrowing to pay for school means for you

## MANAGEMENT

Strategies when you're in school and post-graduation

## REPAYMENT

Options, resources and support

## STEP 1 FINANCIAL AID

### Know your financial aid options

- **Fill out the FAFSA:** The Free Application for Federal Student Aid (FAFSA) allows students to apply for grants, loans, and work-study funds from the federal government. Even if you don't think you qualify for aid, you may be eligible for some assistance. FAFSA takes only about 30 minutes to fill out and it could save you thousands towards school.
- **Seek out financial aid you don't have to repay:** Who doesn't want free money for college? Grants, scholarships and work study do not have to be repaid after graduation. You should consider re-applying for this type of financial aid every year by filling out the FAFSA and researching grant and scholarship options through your school and community.
- **Know the difference between federal and private loans:** Federal loans provide borrower protections that many private loans do not, like a fixed interest rate and flexible repayment options.
- **Find out if you qualify for subsidized federal loans:** The government pays the interest on subsidized loans while you're in school or if you have to defer your loan payments. These loans are available to undergrad students with financial need and determined by filling out the FAFSA.
- **Know what's in your financial aid package:** Read through your financial aid package and know what money you have to repay and money you don't.



### Financial Aid Package #1

<b>COST OF ATTENDANCE</b>	\$25,000
<b>FINANCIAL AID:</b>	
FED PELL GRANT	\$5,550
FED PERKINS LOAN	\$2,000
FED SEOG GRANT	\$2,000
FED SUB. STAFFORD	\$3,500
FED UNSUB. STAFFORD	\$2,000
COLLEGE GRANT	\$4,000
<b>TOTAL FINANCIAL AID</b>	<b>\$19,050</b>
<b>EXPECTED NET COST</b>	<b>\$5,950</b>

## STEP 2

# MANAGEMENT



### Manage your loans now and after graduation

- **Pay back as you go:** Paying back even a little of what you owe while you're in school could save you a lot of money after graduation.
- **Only borrowing what you need:** Did you know you don't have to borrow the entire loan? If you have a \$10,000 loan but you don't need the full amount, you can usually borrow just a portion of that loan. This can help reduce your debt burden in the long run.
- **Know your grace period:** The grace period gives you time to get financially settled and to select your repayment plan. Not all federal student loans have a grace period and for most loans, interest will accrue during your grace period.
- **Know what you owe:** The National Student Loan Data System keeps track of your federal student loan debt at [nslds.ed.gov](https://nslds.ed.gov) (you will need to keep track of your private loans separately).

## STEP 3

# REPAYMENT



### Research your repayment options

- **401(k): Compare your repayment options:** If you have trouble repaying your federal loans, you may qualify for alternative repayment options:
  - **Payments over time:** Graduated, Extended, Extended Graduated
  - **Payments based on your income:** Income-Based Repayment, Pay As You Earn
  - **Delaying payments:** Deferment, Forbearance
- **See if you qualify for loan forgiveness:** You may have some or all of your loans forgiveness if you are in public service or the military or if you attended a school or live in a state that offers a forgiveness program.
- **Research before consolidating or refinancing:** These options may simplify or lower your monthly payments but you will lose access to some borrower benefits.

For more information, tools, and resources visit [Fidelity.com/mymoneynow](https://Fidelity.com/mymoneynow).

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Fidelity Brokerage Services Member LLC, NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917  
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