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Navient CEO Presents Before Republican Policy Committee

Provides Insights to Millennial Task Force on College Completion, Flexibility, and Affordability for an Emerging Generation

WILMINGTON, Del., April 12, 2016 (GLOBE NEWSWIRE) -- Today, Navient CEO Jack Remondi presented at a hearing held by the Republican Policy Committee Millennial Task Force on College Completion, Flexibility, and Affordability for an Emerging Generation. As the nation's largest student loan servicer with more than 40 years of experience working in the federal student loan program, Navient is positioned to provide unique insights and solutions to help address concerns about rising student debt in the United States.

In his [remarks](#), Remondi focused on the importance of college completion, and made four specific recommendations to improve borrower success and the student loan program.

"While those who complete a degree tend to see financial benefits regardless of whether they borrowed, a growing body of research shows students who borrow for college but don't complete pay a significant financial penalty. They have the debt with none of the economic benefits of a degree," said Remondi. "This underscores the importance of focusing on college completion, both before and after an individual borrows. At Navient, we're committed to working with Congress to enhance the success of individual student borrowers and ensure families have the tools necessary to make the best decisions to help improve student loan success."

Remondi detailed the following recommendations in his testimony:

1. **Provide more front-end resources to improve decision making.** Students and their families need tools to understand how much they'll need to borrow to earn the degree—not simply the current semester—and to assess the likely economic benefits of a chosen field. This kind of information will help students and parents make a more informed assessment about what they can afford.
2. **Simplify repayment.** Currently, the government offers 16 repayment plans, eight forgiveness programs, and 32 deferment and forbearance options—each with its own nuances, payment schedules, qualifications, and complex enrollment criteria. They should be and can be simplified. For example, collapsing the multiple income-driven repayment options into one plan with the most appropriate borrower-friendly terms would be a good start.
3. **Help borrowers pay off early.** In the rush to help student borrowers, too many have trumpeted lower payments over longer periods as the universal solution despite the higher interest costs many borrowers will pay. We need programs that help struggling borrowers through short-term and long-term challenges, but anyone enrolling should understand the trade-offs to be able to make the right choice for their financial circumstances.
4. **Encourage borrowers to engage with their loan servicers.** Default is avoidable, but borrower contact is key. As a servicer, we've found that nine times out of 10, when we reach struggling federal loan borrowers we are able to help them avoid default by getting them into a repayment plan that works for them. Contact works; let's encourage it.

Remondi's full remarks can be read at Navient.com/views.

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About Navient

As the nation's leading loan management, servicing and asset recovery company, Navient (Nasdaq:NAVI) helps customers navigate the path to financial success. Servicing more than \$300 billion in student loans, the company supports the educational and economic achievements of more than 12 million Americans. A growing number of public and private sector clients rely on Navient for proven solutions to meet their financial goals. Learn more at navient.com.

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