



## NEWS RELEASE

For immediate release

### **Federal student loan borrowers who use Navient servicing are 31% less likely to default**

**WILMINGTON, Del., Sept. 30, 2016** — An analysis of the latest Cohort Default Rate default rate shows that federal student loan borrowers serviced by Navient are 31 percent less likely to default than those whose loans are serviced by other organizations. Released by the U.S. Department of Education annually, the Cohort Default Rate measures the percentage of federal student loan borrowers who defaulted on their loans within three years of leaving school.

“We’re proud of our leadership to help student loan borrowers avoid the harmful consequences of default,” said Jack Remondi, president and CEO, Navient. “Helping borrowers on a path to successful loan repayment is making a real difference one person at a time: a new college grad who now has an easier time passing a pre-employment credit check, a single parent who was approved to lease an apartment, or an older learner who will pay less for a car loan. When asked how we consistently deliver these positive results, we point to a critical theme: contact. We employ data-driven strategies to increase customer contact and specially trained teams to engage with struggling borrowers. Nine out of 10 times, when we can speak with a past-due federal loan borrower, he or she avoids default.”

One customer, Sarah N., from Grand Rapids, Mich., who recently paid off her loans, offered this advice: “If you’re having trouble paying your loans, contact your servicer as soon as possible—even before you get behind. There are plenty of options for repayment.”

Remondi continued, “With the multitude of income-driven repayment plans that tie monthly payments to income, there are still far too many people who default. There are many options in the federal loan program that enable borrowers to stay current on their accounts and avoid the long-term consequences of default. We’re committed to continuously pilot new strategies and tools to help even more consumers succeed.”

For example, Navient:

- is a leader in enrolling customers in income-driven repayment plans. Currently, 24 percent of borrowers and 39 percent of dollar volume serviced by Navient for the Department of Education are enrolled in IDR programs.
- promotes income-driven repayment options through more than 170 million communications annually, including mail, email, phone calls, videos, and text messages.
- employs data-driven strategies to identify borrowers likely to struggle and deploy resources where they are needed most.
- recently launched enhancements such as easier autopay enrollment and pre-scheduled loan counseling sessions with specially trained experts.
- has advocated for repayment plan and process simplification, such as real-time IDR enrollment and multi-year recertification of income, so more borrowers can more easily access payment relief.

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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](http://Navient.com).

**Contact:**

Media: Patricia Nash Christel, 302-283-4076, [patricia.christel@navient.com](mailto:patricia.christel@navient.com)

Investors: Joe Fisher, 302-283-4075, [joe.fisher@navient.com](mailto:joe.fisher@navient.com)

Customers: 888-272-5543

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