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## **Navient statement on positive trends in the national student loan Cohort Default Rate**

### **Federal student loan borrowers who use Navient servicing are 38% less likely to default**

WILMINGTON, Del., Sept. 30, 2015 (GLOBE NEWSWIRE) -- Navient, the nation's leading loan management, asset recovery and servicing company, released a statement on today's federal student loan Cohort Default Rate.

Borrowers in the cohort period whose loans were serviced by Navient were 38 percent less likely to default compared to other borrowers.

"At a time when concerns about the cost of college and level of student debt are high, we agree that servicing can make a meaningful difference to improve borrower outcomes and we're proud of the positive difference we continue to make for borrowers," said Jack Remondi, president and CEO, Navient. "We're committed to helping our student loan customers successfully repay their loans and avoid the long-term consequences of default. Our leadership on this critical measure is a direct result of our data-driven approach to servicing: we identify those who are struggling, and then reach out with information to help them understand the options available and choose the plan that matches their needs--ultimately helping them stay on track to succeed financially.

"Throughout the repayment process, contact is key. When we can make contact with a past-due federal loan borrower, nine times out of 10, we can help him or her avoid default. Conversely, 90 percent of those who default on their federal loans have not responded to our outreach over the year it takes to reach default. We encourage individuals who need assistance with their loans to respond to their servicer's outreach so we can explore the multiple repayment relief options available.

"We promote awareness of federal repayment plan options through more than 170 million communications annually, including mail, email, phone calls, videos, and text messages. In fact, according to the FSA Data Center, 32 percent of Direct Loan volume and 18 percent of borrowers serviced by Navient are enrolled in plans tied to income.

"The complexity and number of repayment options can be overwhelming to borrowers, however. As policymakers look for ways to enhance the federal loan program, a focus on streamlining multiple, sound-alike options into easier-to-understand, actionable choices would support borrower success."

The 2012 Cohort Default Rate analyzes data from the group of borrowers who entered repayment between Oct. 1, 2011, and Sept. 30, 2012, and who defaulted in a three-year window by fall of 2014.

### **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 government and higher education clients rely on Navient for proven solutions to meet their financial goals. Learn more at [Navient.com](http://Navient.com).

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