RISLA's Borrowing Guide

What you need to know before borrowing for college

YOUR GATEWAY TO SUCCESS

RISLA
RHODE ISLAND STUDENT LOAN AUTHORITY

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RISLA's Borrowing Guide

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Types of Student Loans

If you need student loans to help you pay for college, you are not alone. But it is important that you conduct a thorough comparison of all of your options and make sure you understand the rates, fees, and terms of any loan program you are considering. Below is a run down of the available types of student and parent education loans to help you get started.

State-Based Education Loans

Description: An alternative loan for students and/or parents available from state-based lenders. Typically, these are not for profit lenders and offer very competitive low, fixed rates.

Rates: Rates vary from program to program and are often very competitive. Programs offered usually include Undergraduate, Graduate, and Parent Loans.

Eligibility: A credit check & cosigner are usually required.

Amount: Loan limits vary by program.

Repayment Term: Repayment terms vary by program.

How to apply: Each lender will have specific procedures for you to follow.

More information: Visit risla.com to learn more about your loan options.

RISLA

- State-based education loans from a non-profit lender
- Borrowers can be a student with a cosigner or a parent
- Competitive, fixed interest rates
- Choose repayment term
- Zero upfront fees
- No pre-payment penalties

Turn to page 4 or visit **risla.com** for details.

Private Education Loans

Description: A private loan for students and/or parents are available from a lender or bank, with a variable or fixed interest rate. Variable rates tend to be lower than fixed rates but they can change as market conditions change so they carry more risk. When your interest rate changes on a variable rate loan, your monthly payment also changes, so you need to have flexibility in your budget. With private lenders, the rate you receive is often based on your credit score. Be aware that very few borrowers typically qualify for the lowest advertised rate. Fees and rates vary considerably based on the individual loan program and lender.

Eligibility: A credit check is usually required; cosigner is often required.

Amount: Loan limits vary by program.

Repayment Term: Repayment terms vary by program.

How to apply: Each lender will have specific procedures for you to follow.

Federal Direct Subsidized and Unsubsidized Loans

Description: Loan for students funded by the U.S. Department of Education. These loans come in two forms: subsidized and unsubsidized. Subsidized: No interest accrues while in school for this need based federal loan.

Unsubsidized: While no payment is due as well like the subsidized, while attending school interest does accrue and will be calculated into your monthly payment when repayment begins. Monitor your unsubsidized Stafford loan at **studentaid.gov.** to stay on top

of accrued interest. It is best to pay any interest that has accrued on the unsubsidized Stafford Loan prior to graduation.

Rates: Rates are fixed and are set each year in May based on the 10-year Treasury bill plus a markup. For the 2020/21 academic year, the undergraduate loan interest rate is 2.75% and the rate for graduate students is 4.30%.

Fees: 1.059% fee through 9/30/2020. Fees are deducted from the amount disbursed to the school.

Annual Limits:

Dependent Student Limits		
Year in School	Subsidized Limit	Total Limit
First	$3,500	$5,500
Second	$4,500	$6,500
Third-Fifth	$5,500	$7,500
Independent Student Limits		
Year in School	Subsidized Limit	Total Limit
First	$3,500	$9,500
Second	$4,500	$10,500
Third-Fifth	$5,500	$12,500
Grad Students	N/A	$20,500

Eligibility: U.S. citizen/permanent residents; full/part-time students. Subsidized: For students who have financial need, as determined by the FAFSA and school costs.

Unsubsidized: For students who do not have financial need.

Repayment Term: Up to 10 years for standard repayment. Graduated, extended, and income-driven repayment options also available. Deferment, forbearance options, and other benefits apply.

Grace Period: 6 months

How to apply: Complete the FAFSA by your school's deadline. You will also have to complete an additional application, known as a Master Promissory Note, and complete entrance counseling to accept your award.

More information: studentaid.gov/understand-aid/types/loans

Federal PLUS Loan

Description: Loan funded by the U.S. Dept. of Education and intended for parents of undergraduate students and for graduate students.

Rate: Rates are fixed and are set each year in May based on the 10-year Treasury bill plus a markup. For the 2020/21 academic year, the PLUS Loan interest rate is 5.30%.

Fees: 4.236% fee (through 9/30/2020) deducted from amount disbursed to the school.

Eligibility: U.S. citizen/permanent resident; parent of dependent undergraduate student or a graduate student. A credit check is required.

Amount: Up to the difference between college costs and total financial aid received.

Repayment Term: Up to 10 years for standard repayment. Loan repayment begins 60 days after final disbursement. Parents or graduate students can defer payments until 6 months after the student leaves school. Interest accrues during this period.

Minimum payment: $50/month

How to apply: Submit the FAFSA by your school's deadline. The PLUS Loan may be included in your financial aid award package or it may not be. You can apply for it either way and you do not have to accept the award if it is part of your financial aid package. You will also need to complete a Master Promissory Note.

More Information: studentaid.gov/understand-aid/types/loans

Comparing Student Loans

	Federal Education Loans			Non-Federal Education Loans	
	Subsidized Loan 2020/21	Unsubsidized Loan 2020/21	PLUS Loan 2020/21	RISLA's 2020/21 State Based In-School Loans	Other Private Student Loans
Borrower	Undergrad Student Only	Undergrad or Graduate Student	Parent of Undergrad or Graduate Student	Student and Co-signer or Single Borrower	Student and Co-signer, or Single Borrower
Interest Rate	**2.75%** Fixed for Undergrads	**2.75%** Fixed for Undergrads **4.30%** Fixed for Grad Students	**5.30%** Fixed	**4.24%** or **5.49%** Fixed	**Varies** Fixed or Variable, sometimes based on your credit score
APR	Exempt from APR Disclosure	Exempt from APR Disclosure	Exempt from APR Disclosure	**4.24%** or **5.32%**	Varies
Upfront Fees	1.059% (through 9/30/2020); Fee TBD for (10/1/2020 - 9/30/2021)	1.059% (through 9/30/2020); Fee TBD for (10/1/2020 - 9/30/2021)	4.236% (through 9/30/2020); Fee TBD for (10/1/2020 - 9/30/2021)	None	Varies
Repayment Term	**120** Months Extended & Income Based Repayment Option Available	**120** Months Extended & Income Based Repayment Option Available	**120** Months Extended Options Available	**120** or **180** Months Income Based Repayment Option Available	**Varies**
Monthly Payment per $10,000 disbursed to school	**$96**	**$107** (assuming 48 months in school and 6 months grace for undergraduates) **$114**(assuming 24 months in school and 6 months grace for graduate students)	**$113**	**$104** or **$102**	Check with the lender you select prior to signing. Make sure you ask if your payment can change.
Borrowing Limits	For Dependent Students, $3,500 for First Year, $4,500 for Second Year, $5,500 for Third-Fifth Year	For Dependent Students (including subsidized loans) $5,500 for First Year, $6,500 for Second Year, $7,500 for Third-Fifth Year	Up to the Cost of Education Minus any Other Financial Aid Received	Up to the Cost of Education Minus Other Aid Received ($1,500 - $40,000)	Usually up to the Cost of Education Minus Other Aid Received - Min and max may vary
How to Apply	Complete the FAFSA by Your School's Deadline	Complete the FAFSA by Your School's Deadline	Complete the FAFSA by Your School's Deadline	Apply at risla.com	Apply at your lender's website

15 Questions to Ask Before Borrowing a Student or Parent Education Loan

As a rule, you should always take advantage of any available scholarships and grants, and pay what you can from income and savings before turning to education loans.

If you do need college loans, Federal Direct Subsidized and Unsubsidized Loans are a good place to start. You must have financial need to be eligible for subsidized loan. If you do, your school will include it in your aid package. If you do not have financial need, your school may award you an unsubsidized loan. These federal student loan programs have annual and aggregate borrowing limits.

If you still need to borrow after exhausting the above options, you may want to consider looking into a state-based education loan, Federal PLUS Loan, or private student loan. Remember to limit the amount you borrow!

Before you borrow, always ask each lender:

1. What is the interest rate?
2. Is the interest rate fixed or variable? (Variable rates can change monthly or annually.)
3. Is the rate I receive based on my credit?
4. What are the fees? (repayment fees, origination fees, default fees, late payment fees, etc.)
5. What is the loan term?
6. What would my monthly payment be if I borrowed $X,XXX? Could my payment change?
7. When would my first payment be due?
8. How are loan funds disbursed? (To you or the school?)
9. What steps do I need to take to complete an application?
10. How long does it take to process an application?
11. Are there loan limits? Annual? Aggregate?
12. Who is eligible for this loan?
13. Do I need a cosigner?
14. What deferment and forbearance options are available to me?
15. If times get tough for me, are their income-based repayment options?

Determining Borrowing Needs

What you should know about comparing financial aid award letters before making a decision about where to enroll and how much to borrow.

With college costs on the rise and exceeding $50,000 a year in some cases, college has become increasingly more difficult to afford. Often times, income, assets and savings, including education savings plans, are not enough to cover your family's contribution. Financial aid can help reduce the cost of college but families are still often left with a considerable gap.

Ideally, you should attempt to get as much free money as possible before turning to loans to cover college costs. You may receive grants and/or scholarships in your financial aid package from your school, but outside scholarships are also available to help families fund a higher education. Local scholarships are widely available and are often easier to obtain than national scholarships.

Visit RIScholarships.org to search through a comprehensive listing of hard-to-find local scholarships.

10 Tips for Comparing Award Letters & Coming Up with a Plan to Pay the Balance Due

Making sense of financial aid award letters can be a daunting task for families as they make college enrollment decisions. Currently, schools don't use a standardized form, so comparing financial aid offers from multiple colleges isn't always easy. Use this guide and our worksheet on page 8 to compare your awards and come up with a plan to pay your tuition bill:

1. **Add up your direct costs.** Direct costs are costs paid directly to the school, such as tuition, fees (such as health insurance fees), school-offered meal plans, and/or room and board. Other costs related to your total cost of attendance, such as books, travel costs, computers, off-campus housing, and other miscellaneous costs, are considered indirect costs.

2. **Calculate your total gift aid.** Gift aid is free to you and includes grants and scholarships. The first step to comparing award letters is to sum up your total gift aid. Subtract any gift aid from your total direct costs. Do not subtract work-study or loans from your total costs since these are considered self-help aid.

3. **Consider what savings you have available to help meet tuition costs.** Do you have a 529 college savings plan or a Coverdell savings account? Any other savings or gifts meant for college? Subtract any resources you will use from your direct costs.

4. **Determine if you have any income available to help pay college costs.** Most colleges offer a payment plan that allows you to spread out the cost of tuition over the course of a school year. Typically, a payment plan administrator charges a one-time enrollment fee. Be aware that making late payments can result in high fees. Contact the college Bursar's office or Financial Aid Office to get information regarding payments plans.

5. **Add up federal student loans.** If the Federal Direct Subsidized or Unsubsidized Loan are included in your financial aid award, decide if you would like to accept these awards. Remember, you will have to pay interest on loans so you want to borrow as little as possible. However, if you are taking loans, this is the place to start. Make sure you understand the terms of these loans before accepting them. Subtract the amount you will accept from your direct costs.

6. **Think about how you will meet the difference.** The remaining balance may be higher than your Expected Family Contribution (EFC). Most schools are not able to meet 100% of your financial aid eligibility. If you plan to borrow, whether it is a PLUS loan, state-based loan, or private education loan, remember to be a good consumer and explore rates, fees, and terms. Factor your borrowing into the whole picture when determining which aid package is best for your family. Include borrowing for direct costs and any indirect costs, such as books, fees and transportation that would not be covered by work-study earnings or other income and savings.

XYZ College/University

XYZ College University

Student Financial Aid Award Notification

Dear Student,

CONGRATULATIONS on your acceptance to XYZ College University! On behalf of the university we are pleased to offer you the following financial assistance towards your pursuit of higher education.

Student Financial Aid Offer

Award	Fall	Spring	Total	Acceptance
Federal Pell Grant	$1875	$1875	$3750	yes no
College Work Study	$750	$750	$1500	yes no
Institution Grant	$500	$500	$1000	yes no
Direct Stafford Subsidized Loan	$1750	$1750	$3500	yes no

This award is the result of a review of your financial aid application. Next to each type of award you have the opportunity to accept or decline all, none or some of the financial assistance offered to you. Please indicate your choices by circling the appropriate response. Then sign and date the letter below and return to the financial aid office within fifteen days. Two copies of the letter are enclosed; please keep the second copy for your records. If you have any comments, questions, concerns or any unusual circumstances, please contact our office as soon as possible. We look forward to seeing you in the fall.

Director
Financial Aid
XYZ College/University
(101) 555-1234

signature ____________ date ____________

7. **Add up the total amount you will need to borrow at each school.** This includes federal student loans, PLUS loans, state-based loans, and private education loans (remember to be careful when comparing rates, terms, and fees for any of these options before signing the note!). Make adjustments if you still have a balance due or have indirect costs you will need to cover with loan funds.

8. **When comparing award letters, focus on total gift aid and the total amount you will need to borrow for school.** It is easy to get swept away by a big financial aid offer. But remember, it isn't always the total award amount that is most important. Pay attention to how much of your financial need each college met and *how* they met your need. The less you need to cover with loans, the better. Also, figure out if awards are renewable. Be wary of scholarships and grants that are only good for your first year.

9. **You do not need to accept the financial aid package as is.** Loans need to be paid back with interest, so try to limit the amount you borrow by reducing your award amounts or declining loans if you don't need them. If you think you need more aid, you can always try to appeal the offer. Make sure you have documentation to support your request.

10. **Send in award acceptance forms by the deadline.** If you do not, the aid awarded to you may go to another student.

Meeting College Costs Worksheet

	College 1	College 2	College 3	College 4
Enter college name on this line				
Direct Costs				
Tuition & fees				
Room & board				
Health insurance fees				
Other fees				
Total Direct Costs (A)				
Gift Aid				
Federal Pell grant				
Federal SEOG grant				
Federal TEACH grant				
State grant				
College grant				
College scholarship				
Outside scholarships & grants				
Total Gift Aid (B)				
Personal Resources				
529 Plan				
Coverdell savings account				
Other college savings account				
Parent savings & assets				
Student savings & assets				
Other				
Total Resources (C)				
Self-help Aid				
Tuition payment plan				
Direct Subsidized Loan				
Direct Unsubsidized Loan				
Federal PLUS Loan				
State-based student loan				
Private education loan				
Home equity loan				
Total Self-help Aid (D)				
Summary				
Total Direct Costs (A)				
Total Gift Aid (B)				
Amount Due to School (A - B)				
Total Personal Resources (C)				
Total Self-help Aid (D)				
Gap (A-B-C-D)				

Don't forget to come up with a plan for paying indirect costs, like books, transportation, and living expenses. Visit us online at risla.com to use our online Meeting College Costs Calculator.

Smart Borrowing

The average student graduates with over $30,000 in student loan debt - some students graduate with much less, and others, with a lot more. Many students and parents are surprised to learn that they owe hundreds of dollars a month in student loan payments after graduation. That's why before you borrow, you should understand your options and learn how to borrow responsibly.

Minimizing financing charges

Your goal should be to borrow at the lowest cost possible, while still allowing for manageable monthly payments. This means looking for the lowest rates and fees and balancing those with benefits of the loan and the length of the repayment term. Being a good consumer and comparing your options takes work, but the payoff can make the effort well worth the time spent.

During your research, keep in mind shorter repayment terms typically mean you will pay less interest than if you had chosen a longer repayment (assuming the rates are equivalent). As an added bonus, shorter repayment terms in the private loan market often have lower interest rates, compounding your savings. Keep in mind that although your monthly payments may be higher with a shorter term, you'll save more money in the long run and pay-off years earlier, freeing up cash for other things!

Does interest rate really matter? You may think it is immaterial, but look at how much a 1% difference in interest rate can really make!

Interest rate	Number of payments	Est. Monthly Payment	Total Interest Charges	Total Cost of Loan
Assuming a $10,000 loan with zero fees and a 10-year term				
4.0%	120	$101	$2,149	$12,149
5.0%	120	$106	$2,728	$12,728
6.0%	120	$111	$3,322	$13,322
7.0%	120	$116	$3,933	$13,933
8.0%	120	$121	$4,559	$14,559
9.0%	120	$127	$5,201	$15,201
10.0%	120	$132	$5,858	$15,858
11.0%	120	$138	$6,530	$16,530
12.0%	120	$143	$7,217	$17,217
Assuming a $10,000 loan with zero fees and a 15-year term				
4.0%	180	$74	$3,314	$13,314
5.0%	180	$79	$4,234	$14,234
6.0%	180	$84	$5,189	$15,189
7.0%	180	$90	$6,179	$16,179
8.0%	180	$96	$7,202	$17,202
9.0%	180	$101	$8,257	$18,257
10.0%	180	$108	$9,343	$19,343
11.0%	180	$114	$10,459	$20,459
12.0%	180	$120	$11,603	$21,603

What amount is the "right" amount to borrow for college?

Many students are eager to sign whatever it takes to go to their dream school. Unfortunately, they often don't understand how much it will cost them after they graduate. Think about your return on investment and what will be affordable after graduation.

You don't need to borrow the full amount listed on your financial aid award letter. It is tempting to borrow a little extra for something you want but don't actually need.

How much will you earn?

Do your research on entry level salaries in your field of choice. Will you be able to afford your monthly payments with the salary you will make? Remember to account for all four years of your education when estimating your total borrowing needs. Too many students have a "borrow now, deal later" attitude that ends up getting them into trouble. A good rule of thumb is to borrow (for all years of education combined) no more than your expected starting salary after graduation. Use How Much Can I Afford to Borrow? Calculator.

Student Loan FAQ

What are Entrance and Exit Interviews?

If a student has federal student loans, he or she will be required by law to complete an entrance interview prior to receiving a loan and an exit interview before graduation. Entrance interviews help students understand their federal student loan responsibilities. Exit interviews are used to inform students about repayment obligations and options.

What is a grace period?

After graduation, students may be entitled to a grace period, or a period during which they aren't required to make student loan payments, typically for six months. Although a grace period applies to all federal loans, not all non-federal loans afford this option so make sure to check with the lender to determine when payments will be due on each of your family member's loans.

Making payments towards student loans during the grace period (and also during any deferment periods) can be a good idea. It can reduce the amount of interest that is added to your balance and ultimately paid over the life of the loan.

What is deferment and forbearance?

Your lender may grant you a temporary postponement of payments called a deferment or forbearance. Whether you receive a deferment or forbearance depends on your eligibility and the type of loan you have. Many, but not all, student loans come with in school deferment. Be careful to understand if you will be expected to make payments while in school on any non-federal loans you borrow.

Federal loans typically offer more deferment and forbearance options than non-federal education loans. If the student re-enrolls in school at least half time, you are unemployed, in the military or performing another public service, or having trouble making your student loan payments for any other reason, you will want to contact your lender or student loan servicer to see if you qualify for a deferment or forbearance.

What happens if I default on my student loan?

Defaulting on your student loan has many serious consequences. If you are having trouble making payments, remember to call your student loan lender or servicer to learn about your deferment and forbearance options or to see if you qualify for a different repayment schedule, such as extended repayment or income-driven repayment. If you default on an education loan, you may:

- Be ineligible for federal and private student aid in the future.
- Lose your deferment and forbearance options.
- Have to pay your entire loan balance immediately.
- Pay additional costs if your account is turned over to a collection agency or attorneys.
- Hurt your credit and therefore your ability to borrow in the future, rent an apartment, or even get a job.
- Have your federal or state tax return withheld so that it can be applied to your defaulted loan balance.
- Have your wages garnished.

Cosigning for a Student Loan

Why be a cosigner?

There are two major factors in play here. First, acting as a cosigner allows you to take an active role in funding the education of a loved one. It's a noble cause, and the long-term value comes from seeing a person successfully morph from a high school graduate to a working, college-educated professional.

The second factor is more practical, but no less important. Most high school grads and college students simply don't have an established credit history. They haven't had time to build a successful repayment history with various lenders like credit card companies or mortgage lenders. As a result, they're unable to borrow alone. Most lenders will require that a second person – a person with an established credit history – to cosign on the loan.

What are the benefits?

For most borrowers, the single biggest benefit to getting a cosigner is that it increases the borrower's chances of being approved for a student loan. With most modern students unable to pay for higher education without borrowing, cosigners open up possibilities to students who would otherwise be unable to attend college (or at least the college of their choice). The second benefit is that putting a cosigner on the loan may lead to a better interest rate if rates are based on credit score and the cosigner's score is higher than the primary borrower's score.

In addition, a cosigner provides a substantial barrier to late payments or default.

What are a cosigner's responsibilities?

Cosigning will require a credit check, and may require submitting other documents, such as proof of income and/or savings, but the most important responsibilities come much later, during repayment. Just as a borrower is responsible for on-time monthly payments until the loan is satisfied, a cosigner shares that same responsibility.

Student loan debt is a long-term commitment, with repayment periods that can extend for many years. Throughout the course of that repayment, the cosigner will be responsible for repayment just as the borrower is. That means that if the borrower fails to meet the terms of repayment and the cosigner doesn't do their part to chip in, both parties will be penalized.

Some loans will allow the borrower to release the cosigner after certain conditions have been met. Make sure to ask your lender about this option, if it is available, and be very careful to follow the guidelines.

Student loans cannot be discharged through bankruptcy, unless it can be proven that the student loan creates an "undue hardship". It's important to ask your lender about other contingencies as well, so that you can be clear on the terms of your loan. What happens if the borrower becomes ill or is unable to work? Will the loan be discharged if the borrower dies? How long will it take to alert the cosigner that there is a problem if the borrower misses a payment or is in danger of default?

Knowing your responsibilities as a cosigner is an important first step towards helping your loved one cover the cost of school. Armed with the right info, you can feel confident that you're helping to make a difference, and that you're making the commitment with a clear understanding of what it entails!

Getting Denied for a Loan

If you are denied on your student loan, know that all is not lost. There is no credit criteria on Federal Direct Subsidized and Unsubsidized loans, so make sure you have exhausted the annual limits on those first.

If you are denied on a Federal PLUS Loan, your student may be able to get additional Federal Direct student loan funds. You may also have the option of adding an "endorser" on your loan to help you qualify.

If you are denied on a private or state-based student loan, call the lender and ask why. It may be something as simple as an address mismatch or you entered the wrong social security number or had a typo for your stated income.

A quick phone call may solve your problem. However, if the issue is your credit score, financial history, or some other factor, there may be some steps you can take. Below, we have included some common reasons for student loan denial and how to handle them.

If you were denied and you have taken the steps above, remember there may be nothing you can do to change the lender's decision, as frustrating as that may seem. You'll likely have to move on and find another way of paying for college.

Your Credit and Credit Score

The credit score is a model developed by the credit bureaus to help lenders assess your ability to pay back a loan. If you are regularly late on payments, have any collection accounts, have filed bankruptcy, or you have a judgment or lien against you, your credit score is likely to have taken a hit. However, even just having too much debt can affect your score. If you strongly believe your credit score should be higher than it is, check out your credit reports to make sure there aren't any errors or accounts you know you didn't open.

If your credit score is just a hair away from meeting the lender's criteria, some simple changes could affect your approval. For example, part of your credit score is determined based on the proportion of revolving debt you have to your available credit line. Paying off a credit card balance (and not using the card for a month or two) might be all you need to do to give your FICO score a little boost.

Your Income

Most lenders want to see that you are earning enough to pay back the debt you are taking on. Before applying for a loan, you may want to ask the lender if they have a threshold for income in order to qualify for the loan. If they are willing to share this information, it could save you from applying for a loan you won't be eligible for. Keep in mind, the lender may look at the student income, the cosigner income, or both. Adding a cosigner to the loan typically helps students qualify for loans they otherwise would be denied for and can also help students secure a better rate. Typically, a lender is going to want documentation to back up the income you made, so be prepared to send it in, if asked.

Debt-To-Income (DTI)

Your lender may take a look at your debt-to-income ratio or free cash flow to determine your eligibility. Even if the lender doesn't have a minimum income requirement, your income can be very important in helping you qualify for a loan based on how much debt you have.

Your debt-to-income ratio takes into account how much you have to pay each month towards your debt (mortgages, loans, credit cards, etc) vs. how much money you are taking in each month. A higher debt-to-income ratio is less desirable because it could indicate you may have trouble making your monthly payments should something go wrong. What's a high debt-to-income threshold? Lenders all differ, but if your DTI ratio is in the 40-50% range, you may be at risk for denial.

If you are at the end of an installment loan, such as a car loan, and you want to reduce your debt-to-income ratio, pay it off a month or two before you apply for your student loans which could significantly reduce your debt-to-income calculation.

Your Assets

The lender may request documentation to prove you have savings or assets to help you repay the loan should you lose your job or find yourself unable to work for some other reason. If you don't have any savings or your income is too low, you are less likely to be able to repay your debt. Create an account with a few months worth of liquid savings to prove you have the funds you need to pay if things don't go as planned.

RISLA
RHODE ISLAND STUDENT LOAN AUTHORITY

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