



# NEWS FROM SCDCA

SOUTH CAROLINA DEPARTMENT OF CONSUMER AFFAIRS  
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## FOR IMMEDIATE RELEASE

### *Scam Alert: Student Loan Repayment*

**Columbia, SC...** The South Carolina Department of Consumer Affairs (The Department) is urging consumers to be on the look out for student loan payoff scams. Scammers lead consumers to believe that they have the secret to erase student loan debt or that the debt can be discharged due to the U.S. Constitution. After paying to receive this information, the consumer is told to write "EFT Only" and/or "For the Discharge of Debt" on their check and send it via USPS Certified Mail with a "Notary Certificate of Services" letter. Some consumers are told to write on the check in different colored ink. According to the scammer, when the student lender receives the check and certificate, the debt must be forgiven.

Consumers should keep the following in mind when dealing with student loan debt:

- Claims of debt erasing are usually fraudulent.
- When facing potential default on a loan, consumers should contact their lender to discuss available options, like deferment.
- Consider credit counseling or debt management, but be sure the company/counselor is reputable and licensed with the Department.
- Don't give out personal information to someone you do not know.
- If the deal sounds too good to be true, then it probably is.

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SCDCA aims to protect consumers from inequities in the marketplace through advocacy, complaint mediation, enforcement and education. To file a complaint or get information on consumer issues, visit [www.consumer.sc.gov](http://www.consumer.sc.gov) or call toll-free, 1.800.922.1594.

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