



## SECTION 4: INSTRUCTIONS

Type or print using dark ink. Report dates as month-day-year. For example, show "January 31, 2002" as "01-31-2002". Include your name and social security number (SSN) on all attached documentation. **REMEMBER TO SIGN AND DATE THE FORM AND ATTACH THE REQUIRED DOCUMENTATION.** Send the completed form and any required documentation to:

U.S. Department of Education  
Direct Loan Servicing Center  
P.O. Box 4609  
Utica, NY 13504-4609

If you need help completing this form, call:  
1-800-848-0979

If you use a telecommunications device for the deaf (TDD), call:  
1-800-848-0983

Direct Loan Servicing Center web site:  
[www.dl.ed.gov](http://www.dl.ed.gov)

## SECTION 5: DEFINITIONS

- If unpaid interest is **capitalized**, this means that it is added to the principal balance of your loan(s). This will increase the principal amount and the total cost of your loan(s).
- A **deferment** allows you to temporarily postpone making payments on your loan(s). No interest is charged during a deferment on Direct Subsidized Loans and Direct Subsidized Consolidation Loans. Interest is charged during a deferment on all other Direct Loans.
- Eligible **federal education loans** that may be included in determining the total amount you owe for deferment conditions (5) and (6) in Section 2 are listed below. You may include defaulted loans only if you have made satisfactory repayment arrangements with the holder of those loans.
  - All William D. Ford Federal Direct Loan Program loans (see definition)
  - All Federal Family Education Loan Program loans (see definition)
  - All Federal Perkins Loan Program loans (see definition)
  - Health Education Assistance Loans (HEAL)
  - Health Professions Student Loans (HPSL)
  - Loans for Disadvantaged Students (LDS)
  - Primary Care Loans (PCL)
  - Nursing Student Loans (NSL)
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (subsidized and unsubsidized), Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, Federal Consolidation Loans, Guaranteed Student Loans (GSL), Federal Insured Student Loans (FISL), and Auxiliary Loans to Assist Students (ALAS).
- The **Federal Perkins Loan (Perkins Loan) Program** includes Federal Perkins Loans, National Direct Student Loans (NDSL), and National Defense Student Loans (NDSL).
- A **forbearance** allows you to temporarily postpone making payments on your loan(s), gives you an extension of time for making payments, or lets you temporarily make smaller payments than previously scheduled. Interest is charged during a forbearance on all types of Direct Loans.
- **Full-time employment** is defined as working at least 30 hours per week in a position expected to last at least three consecutive months.
- **Monthly income** is either: (1) the amount of your monthly income from employment and other sources before taxes and other deductions, **OR** (2) one-twelfth of the amount of your income reported as "adjusted gross income" on your most recently filed Federal Income Tax Return. You may choose either of these income amounts for the purpose of reporting your monthly income on this deferment request.
- The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans. These loans are known collectively as "Direct Loans."
- The **repayment period** (for deferment conditions (5) and (6) in Section 2) refers to the total number of years that your current repayment plan allows for you to repay your loan, including the years that your loan has already been in repayment. For any loan that your current repayment plan requires you to repay in a total of 10 years or less, your actual monthly payment amount will be used in determining whether you are eligible for a deferment. For any loan that your current repayment plan allows you a total of more than 10 years to repay, your payment amount will be adjusted to show the estimated monthly amount that you would owe if you were required to repay the loan in fixed installments within a 10-year repayment period.

## SECTION 6: ELIGIBILITY REQUIREMENTS

- You may defer repayment of your loan(s) during the period that you meet one of the economic hardship conditions described in Section 2.
- Except for a deferment based on **CONDITION (3)**, you must reapply every 12 months if you continue to meet the requirements for an economic hardship deferment. **You may receive an economic hardship deferment for a maximum of 36 months.**
- For **CONDITION (1)**, you must provide the Direct Loan Servicing Center with documentation of the deferment that has been granted under the FFEL Program or the Federal Perkins Loan Program (for example, correspondence from your loan holder showing that you have been granted a deferment).
- For **CONDITION (2)**, you must provide the Direct Loan Servicing Center with documentation confirming that you are receiving or received payments under a federal or state public assistance program.
- For **CONDITION (3)**, you must provide the Direct Loan Servicing Center with documentation that certifies the beginning and expected ending dates of your service in the Peace Corps and which is signed and dated by an authorized Peace Corps official.
- For **CONDITIONS (4), (5) OR (6)**, you must provide the Direct Loan Servicing Center with documentation of your monthly income (as defined in Section 5). If you are reporting monthly income from employment and other sources, you must provide documentation such as pay stubs. If you are reporting one-twelfth of your adjusted gross income, you must provide a copy of your most recently filed Federal Income Tax Return.
- For **CONDITIONS (5) OR (6)**, you must provide the Direct Loan Servicing Center with documentation of the total amount owed for all federal education loans that are now in repayment, such as disclosure statements or current repayment schedules. For each loan, this documentation must include the length of the repayment period, your current monthly payment amount, and the amount you owed when the loan entered repayment. If your total federal education loan debt includes defaulted loans, you must provide documentation that you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.
- If you are requesting a deferment based on **CONDITIONS (4), (5), OR (6)**, and you are not currently residing in the United States, use the Poverty Line amounts for your last state of residence in the United States.

## SECTION 7: TERMS AND CONDITIONS

(1) You are not required to make payments of loan principal during your deferment. No interest will be charged on your subsidized loan(s) during your deferment. However, interest will be charged on your unsubsidized loan(s). For any unsubsidized loan(s), you will receive a quarterly interest statement, and you may pay the interest at any time. If you do not pay the interest that accrues on your unsubsidized loan(s), it will be capitalized at the end of your deferment period. (2) Your deferment will begin on the date the condition that qualifies you for the deferment began. (3) Your deferment will end on the earlier of (a) the date that the condition that qualified you for the deferment ends, or (b) the deferment end date provided to you by the Direct Loan Servicing Center. (4) If your deferment does not cover all your past due payments, ED may grant you a forbearance for all payments that were due before the begin date of your deferment. If the period for which you are eligible for a deferment has ended, ED may grant you a forbearance for all payments that are due at the time your deferment request is processed. (5) ED may grant you a forbearance on your loan(s) for up to 60 days, if necessary, for the collection and processing of documentation related to your deferment request. ED will not capitalize interest that accrues during this forbearance. (6) You must provide additional documentation to the Direct Loan Servicing Center, as required, to support your eligibility for this deferment. (7) You must notify the Direct Loan Servicing Center immediately if the condition that qualifies you for this deferment ends.

## SECTION 8: IMPORTANT NOTICES

**Privacy Act Notice.** The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authority for collecting the requested information from and about you is §451 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1087a et seq.) and the authority for collecting and using your Social Security Number (SSN) is §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed to third parties as authorized under routine uses in the appropriate systems of records. The routine uses of this information include its disclosure to federal, state, or local agencies, to other federal agencies under computer matching programs, to agencies that we authorize to assist us in administering our loan programs, to private parties such as relatives, present and former employers, business and personal associates, to credit bureau organizations, to financial and educational institutions, to guaranty agencies, and to contractors in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to counsel you in repayment efforts, to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default, to provide default rate calculations, to provide financial aid history information, to assist program administrators with tracking refunds and cancellations, or to provide a standardized method for educational institutions efficiently to submit student enrollment status.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

**Paperwork Reduction Notice.** According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0011. The time required to complete this information collection is estimated to average 0.16 hours (10 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, DC 20202-4651. **Do not send the completed form to this address.**

If you have questions about the status of **your individual submission of this form**, contact the Direct Loan Servicing Center (see Section 4).