

Federal Direct Consolidation Loan
Instructions for Application and Promissory Note

OMB No. 1845-0053
Form Approved
Exp. Date 02/28/2014

Before You Begin

Gather all of your education loan records, account statements, and bills so that you will have all the information needed to complete the Federal Direct Consolidation Loan Application and Promissory Note (Note).

Print using a blue or black ballpoint pen. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: June 24, 1982 = 06-24-1982.

Some of the items in Sections A and C may have been completed for you. If so, review these items carefully to make sure the information is correct. Cross out any information that is incorrect and enter the correct information. Put your initials next to any information that you change.

Incorrect or incomplete information may delay processing.

Section A: Borrower Information

Item 1: Enter your last name, then your first name and middle initial.

Item 2: Enter your nine-digit Social Security Number.

Item 3: Enter your permanent address (number, street, apartment number, or rural route number and box number, then city, state, and zip code). If your mailing address is a post office box or general delivery, you must list **both** your permanent address and your mailing address. If you do not have a permanent street address or rural route number and box number, provide the physical location of your residence.

Item 4: Enter the area code and telephone number at which you can most easily be reached. (Do not list your work telephone number here.) If you do not have a telephone, enter N/A.

Item 5 (optional): Enter your preferred e-mail address for receiving communications. You are not required to provide this information. If you do, we may use your e-mail address to communicate with you. If you do not have an e-mail address or do not wish to provide one, enter N/A.

Item 6: Enter any former names (such as a maiden name) under which one or more of your loans may have been made. If none, enter N/A.

Item 7: Enter your date of birth.

Item 8: Enter the two-letter abbreviation for the state that issued your driver's license, followed by your driver's license number. If you do not have a driver's license, enter N/A.

Item 9: Enter your employer's name. If you are self-employed, enter the name of your business. If you are not employed, enter N/A.

Item 10: Enter your employer's address or, if you are self-employed, the address of your business (street, city, state, zip code).

Item 11: Enter your work area code and telephone number. If you are self-employed, enter the area code and telephone number of your business.

Section B: Reference Information

Item 12: Enter the requested information for two adults with different U.S. addresses who do not live with you and who have known you for at least three years. References who live outside the United States are not acceptable. If a reference does not have a telephone number or e-mail address, or does not wish to provide an e-mail address, enter N/A. If you provide an e-mail address for a reference, we may use it to communicate with the reference.

Section C1: Education Loan Indebtedness – Loans You Want to Consolidate

Section C2: Education Loan Indebtedness – Loans You Do Not Want to Consolidate

Section C1 asks for information about your federal education loans that you want to consolidate.

Section C2 asks for information about your education loans that you are not consolidating, but want to have considered when we determine your maximum repayment period.

If you need more space to list loans in Section C1 or C2, use the Additional Loan Listing Sheet included with your Note. To find the information you will need to complete Sections C1 and C2, you can look at the last monthly billing statement you received, your quarterly interest statement or annual statement, your coupon book, or the Internet site of your loan holder or servicer. You may also obtain information about your loans by accessing the National Student Loan Data System (NSLDS) at www.nsls.ed.gov.

Items 13-16: Enter the requested information for all of your federal education loans that you want to consolidate, including any Direct Loans that you want to consolidate. **You must consolidate at least one Direct Loan or FFEL Program loan.**

Item 13: Enter the code that corresponds to the loan type from the chart provided in these instructions ("Loan Types and Their Codes"). If you are not sure about the loan type, leave this item blank.

Item 14: Enter the full name and mailing address of the holder of the loan or the loan holder's servicer. (This is the address to which you are or will be sending your payments.) You must provide at least the name, city, and state of the loan holder or servicer.

Item 15: Enter the account number for each loan (the number should be on your statement or in your payment book). If you cannot find the account number, leave this item blank.

Item 16: Enter the estimated amount needed to pay off the loan, including any unpaid interest, late fees, and collection costs.

Item 17: If you are in your grace period on any of the loans you wish to consolidate and you want to delay processing of your Direct Consolidation Loan until you have completed your grace period, enter the month and year of your expected grace period end date. If you provide this information, processing of your Direct Consolidation Loan will be delayed until approximately 30-60 days before the end of your grace period, and your consolidation loan will not enter repayment until after your grace period ends. If you leave Item 17 blank, processing of your consolidation loan will begin as soon as we receive your completed Note and any other required documents, and any loans listed in Section C1 that are in a grace period will enter repayment immediately upon consolidation. You will then lose the remaining portion of the grace period on these loans.

Items 18-21: Enter the requested information for all of your education loans that you do not want to consolidate or that are not eligible for consolidation, but that you want considered when we determine the maximum repayment period for your Direct Consolidation Loan.

Item 18: Follow the instructions for Item 13.

Item 19: Follow the instructions for Item 14.

Item 20: Follow the instructions for Item 15.

Item 21: Enter the current balance for each loan. Use the amount on your last statement or give us an approximate amount.

Section D: Repayment Plan Selection

See the instructions provided in this section.

Section E: Borrower Understandings, Certifications, and Authorizations

Items 22-24: Carefully read these items.

Section F: Promissory Note

This is a legally binding contract.

Item 25: Carefully read the Promise to Pay and the entire Note, including the Borrower Understandings, Certifications, and Authorizations in Section E, the terms and conditions on page 4, and the Borrower's Rights and Responsibilities Statement on pages 5-8.

Item 26: Sign and date the Note. If you do not sign the Note, your application cannot be processed.

Final Notes

Review all the information on your Note. When complete, make a copy for your records and mail the original pages 1, 2, and 3 to us in the envelope provided, along with the completed Repayment Plan Selection form and any required additional forms or documentation. If you no longer have the envelope, mail the Note to the address shown below.

As soon as we receive your completed Note and supporting documents, we will begin processing (unless you have entered your expected grace period end date in Section C1, Item 17). During this time, we might call you with questions.

In the meantime, if you currently are required to make payments on your loans, continue to do so. You will need to continue making payments until you receive written notification that your loans have been successfully consolidated and it is time to start paying your Direct Consolidation Loan. If you are having difficulty making payments on your loans, contact your loan holder or servicer at the correspondence address or telephone number on your current loan statements to find out ways you might be able to postpone loan payments; ask specifically about your "deferral" and "forbearance" options.

IMPORTANT: We will send you a notice before we pay off your loans. This notice will (1) provide you with information about the loans and payoff amounts that we have verified with your loan holder(s) or through NSLDS, and (2) tell you the deadline by which you must notify us if you want to cancel the Direct Consolidation Loan, or if you do not want to consolidate one or more of the loans listed in the notice.

The notice that we send will include information about loans eligible for consolidation that you listed in Section C1 ("Education Loan Indebtedness – Loans You Want to Consolidate"). It will also include information about additional loans eligible for consolidation that you did not list in Section C1, if you have additional eligible loans with a holder of a loan that you listed in Section C1. For example, if you have two Subsidized Federal Stafford Loans with Loan Holder A, but you listed only one of these loans in Section C1, the notice that we send will include information about both of your Subsidized Federal Stafford Loans that are with Loan Holder A. The notice will **not** include information about any loans that you listed in Section C2 ("Education Loan Indebtedness – Loans You Do Not Want to Consolidate") and those loans will not be consolidated.

If you do not inform us by the specified deadline that you do not want to consolidate one or more of the loans listed in the notice, all of the listed loans will be consolidated.

Loan Types and Their Codes (use these codes to complete Sections C1 and C2)

A	Subsidized Federal Stafford Loans	O	Subsidized Federal Consolidation Loans
B	Guaranteed Student Loans (GSL)	P	Auxiliary Loans to Assist Students (ALAS)
C	Federal Insured Student Loans (FISL)	Q	Health Professions Student Loans (HPSL)
D	Direct Subsidized Loans	R	Health Education Assistance Loans (HEAL)
E	Direct Subsidized Consolidation Loans	S	Federal PLUS Loans for Graduate/Professional Students
F	Federal Perkins Loans	T	Federal PLUS Loans for Parents
G	Unsubsidized Federal Stafford Loans (including Nonsubsidized Stafford Loans)	U	Direct PLUS Loans for Parents
H	Federal Supplemental Loans for Students (SLS)	V	Direct PLUS Consolidation Loans
I	Direct PLUS Loans for Graduate/Professional Students	Y	Nursing Student Loans (NSL)
J	Unsubsidized Federal Consolidation Loans	Z	Loans for Disadvantaged Students (LDS)
K	Direct Unsubsidized Consolidation Loans	W	Education loans ineligible for consolidation
L	Direct Unsubsidized Loans		
M	National Direct Student Loans (NDSL)		
N	National Defense Student Loans (NDSL)		

Federal Direct Consolidation Loan Application and Promissory Note

OMB No. 1845-0053 Form Approved Exp. Date 02/28/2014
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WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or any accompanying documentation is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Before You Begin

Read the instructions for completing this Federal Direct Consolidation Loan Application and Promissory Note (Note). Print using blue or black ink or type. You must sign and date this form. If you cross out anything and write in new information, put your initials beside the change.

NOTE: PAGES 1, 2 and 3 OF THIS NOTE MUST BE SUBMITTED FOR YOUR LOAN REQUEST TO BE PROCESSED.

Section A: Borrower Information

1. Last Name	First Name	Middle Initial	2. Social Security Number
3. Permanent Address (if P.O. box or general delivery, see instructions)			4. Area Code/Telephone Number
_____ _____ _____			5. E-Mail Address (Optional)
City	State	Zip Code	
6. Former Name(s)	7. Date of Birth (mm-dd-yyyy)		8. Driver's License State and Number
			State Number
9. Employer's Name			
10. Employer's Address			
_____ _____ _____			
11. Work Area Code/Telephone Number	City	State	Zip Code

Section B: Reference Information

12. References: List two persons with different U.S. addresses who do not live with you and who have known you for at least three years.

Name 1. _____	2. _____
Permanent Address _____	_____
City, State, Zip Code _____	_____
E-Mail Address (optional) _____	_____
Area Code/ Telephone Number _____	_____
Relationship to Borrower _____	_____

Section C1: Education Loan Indebtedness - Loans You Want to Consolidate (continued on page 2)

Read the instructions before completing this section. List each federal education loan that you want to consolidate, including any William D. Ford Federal Direct Loan (Direct Loan) Program loans that you want to include in your Direct Consolidation Loan. If you need more space to list additional loans, use the Additional Loan Listing Sheet included with this Note. List each loan separately. Please print. **IN THIS SECTION, LIST ONLY LOANS THAT YOU WANT TO CONSOLIDATE.**

We will send you a notice before we consolidate your loans. This notice will (1) provide you with information about the loans and payoff amounts that we have verified, and (2) tell you the deadline by which you must notify us if you want to cancel the Direct Consolidation Loan, or if you do not want to consolidate one or more of the loans listed in the notice. The notice will include information about loans eligible for consolidation that you listed in this section. It will also include information about additional loans eligible for consolidation that you did not list in this section, if you have additional eligible loans with a holder of a loan that you listed in this section. **See the instructions for more information about the notice we will send.**

13. Loan Code (See Instructions)	14. Loan Holder/Service Name, Address, and Area Code/Telephone Number (See Instructions)	15. Loan Account Number	16. Estimated Payoff Amount

Borrower's Name (please print) _____

Social Security Number _____

Section C1: Education Loan Indebtedness - Loans You Want to Consolidate (continued from page 1)

13. Loan Code (See Instructions)	14. Loan Holder/Servicer Name, Address, and Area Code/Telephone Number (See Instructions)	15. Loan Account Number	16. Estimated Payoff Amount

17. Grace Period End Date. If any of the loans you want to consolidate are in a grace period, you can have the processing of your Direct Consolidation Loan delayed until the end of your grace period by entering your expected grace period end date in the space provided. If you leave this item blank, we will begin processing your Direct Consolidation Loan as soon as we receive this Note and any other required documents and any loans listed in Section C1 that are in a grace period will enter repayment immediately upon consolidation. You will then lose the remaining portion of the grace period on these loans.

Expected Grace Period End Date (month/year):

Section C2: Education Loan Indebtedness - Loans You Do Not Want to Consolidate

Read the instructions before completing this section. List all education loans that you are not consolidating, but want to have considered when your maximum repayment period is calculated. Remember to include any Direct Loan Program loans that you do not want to consolidate. If you need more space to list additional loans, use the Additional Loan Listing Sheet included with this Note. List each loan separately. Please print. **IN THIS SECTION, LIST ONLY LOANS THAT YOU DO NOT WANT TO CONSOLIDATE.**

We will send you a notice before we consolidate your loans. This notice will (1) provide you with information about the loans and payoff amounts that we have verified, and (2) tell you the deadline by which you must notify us if you want to cancel the Direct Consolidation Loan, or if you do not want to consolidate one or more of the loans listed in the notice. The notice will **not** include information about any loans you listed in this section, and any loans listed in this section will **not** be consolidated. **See the instructions for more information about the notice we will send.**

18. Loan Code (See Instructions)	19. Loan Holder/Servicer Name, Address, and Area Code/Telephone Number (See Instructions)	20. Loan Account Number	21. Current Balance

Section D: Repayment Plan Selection

To understand your repayment plan options, carefully read the repayment plan information in the Borrower's Rights and Responsibilities Statement on pages 5-8 of this Note and in any supplemental materials you receive with this Note. Then select a repayment plan for your Direct Consolidation Loan by completing the **Repayment Plan Selection** form that accompanies this Note.

- If you select the Income Contingent Repayment (ICR) Plan or the Income-Based Repayment (IBR) Plan, you must also complete additional forms and/or provide additional documentation as explained on the Repayment Plan Selection form. **Your selection of the ICR Plan or IBR Plan cannot be processed without the required additional forms or documentation.**
- You **must** select the ICR Plan or the IBR Plan for repayment of your Direct Consolidation Loan if (1) you want to consolidate a defaulted loan(s) and you have not made a satisfactory repayment arrangement with your current loan holder(s); or (2) you are consolidating a delinquent Federal Consolidation Loan that the lender has submitted to the guaranty agency for default aversion, and you are not consolidating any additional eligible loans.

Borrower's Name (please print) _____

Social Security Number _____

Section E: Borrower Understandings, Certifications, and Authorizations

22. I understand that:

- A. My Direct Consolidation Loan will, to the extent used to pay off loans made under the Federal Family Education Loan (FFEL), Direct Loan, and Federal Perkins Loan (Perkins Loan) programs, count against the applicable aggregate loan limits under the Act. The term "the Act" is defined under "Governing Law" on page 4 of this Note.
- B. The amount of my Direct Consolidation Loan is the sum of the balances of my outstanding eligible loans that I have chosen to consolidate. My outstanding balance on each loan to be consolidated includes unpaid principal, unpaid accrued interest and late charges as defined by federal regulations and as certified by the loan holder. Collection costs may also be included. For a Direct Loan Program or FFEL Program loan that is in default, the amount of any collection costs that may be included in the payoff balances of the loans is limited to a maximum of 18.5% of the outstanding principal and interest. For any other defaulted federal education loans, all collection costs that are owed may be included in the payoff balances of the loans.
- C. Applying for a Direct Consolidation Loan does not obligate me to agree to take the Direct Consolidation Loan. The U.S. Department of Education (ED) will provide me with: (1) a notice containing information about the loans and payoff amounts that ED has verified with the holders of my loans or through ED's National Student Loan Data System (NSLDS) before the actual payoffs occur; and (2) the deadline by which I must notify ED if I want to cancel the Direct Consolidation Loan, or if I do not want to consolidate any of the loans that ED has verified. The notice that ED sends will include information about loans eligible for consolidation that I listed in Section C1 of this Note ("Education Loan Inebtedness - Loans You Want to Consolidate"). It may also include information about additional loans eligible for consolidation that I did not list in Section C1, if I have additional eligible loans with a holder of a loan listed in Section C1. If I do not inform ED otherwise by the deadline specified in the notice that ED sends to me, all of the loans listed in the notice will be consolidated.
- D. If the amount ED sends to my loan holders is more than the amount needed to pay off the balances of the selected loans, the holders will refund the excess amount to ED and this excess amount will be applied against the outstanding balance of my Direct Consolidation Loan. If the amount that ED sends to my holders is less than the amount needed to pay off the balances of the loans selected for consolidation, ED will include the remaining amount in my Direct Consolidation Loan.
- E. Unless I am: (1) consolidating a delinquent Federal Consolidation Loan that the lender has submitted to the guaranty agency for default aversion; (2) consolidating a defaulted Federal Consolidation Loan; (3) consolidating a Federal Consolidation Loan to use the Public Service Loan Forgiveness Program; or (4) consolidating a Federal Consolidation Loan to use the no accrual of interest benefit for active duty service members, I may consolidate an existing Federal Consolidation Loan or Direct Consolidation Loan only if I include at least one additional eligible loan in the consolidation.
- F. If I am consolidating a delinquent Federal Consolidation Loan that the lender has submitted to the guaranty agency for default aversion or a defaulted Federal Consolidation loan, and I am not including another eligible loan, I must agree to repay my Direct Consolidation Loan under the ICR Plan or the IBR Plan.
- G. If I consolidate my loans, I may no longer be eligible for certain deferments, subsidized deferment periods, certain types of loan discharges or loan forgiveness, or reduced interest rates that were available on the loans I am consolidating.
- H. Any payments made prior to the date of consolidation on the loans I am consolidating will not count toward (1) the 25 years of repayment required for loan forgiveness under the IBR Plan or the ICR Plan (see Item 10 of the Borrower's Rights and Responsibilities Statement in this Note), or (2) the 120 qualifying payments required for Public Service Loan Forgiveness (see Item 17 of the Borrower's Rights and Responsibilities Statement).
- I. If I am consolidating a Perkins Loan: (1) I will no longer be eligible for interest-free periods while I am enrolled in school at least half time, in the grace period on my loan, and during deferment periods; and (2) I will no longer be eligible for full or partial loan cancellation under the Perkins Loan Program based on years of service in one of the following occupations: teacher in a low-income elementary or secondary school; staff member in a eligible preschool program; special education teacher; member of the Armed Forces who qualifies for special pay; Peace Corps volunteer or volunteer under the Domestic Volunteer Service Act of 1973; law enforcement or corrections officer; attorney in an eligible defender organization; teacher of mathematics, science, foreign languages, bilingual education or any other high-need field; nurse or medical technician providing health care services; employee of a public or private nonprofit child or family science agency that services high-risk children from low-income families and their families; fire fighter; faculty member at a Tribal College or University; librarian; or speech language pathologist.
- J. If I am consolidating a Direct PLUS Loan or a Federal PLUS Loan that I obtained to help pay for my dependent child's undergraduate education, I will not be eligible to repay my Direct Consolidation Loan under the IBR Plan. However, I may repay my Direct Consolidation Loan under the ICR Plan.
- K. If I am consolidating any Direct Loan Program loans on which I received an up-front interest rebate, and I have not yet made the first 12 required on-time payments on those loans at the time the loans are consolidated, I must make the first 12 required monthly payments on my Direct Consolidation Loan on time to keep the interest rebate (see Item 9 of the Borrower's Rights and Responsibilities Statement).

23. Under penalty of perjury, I certify that:

- A. The information that I have provided on this Note is true, complete, and correct to the best of my knowledge and belief and is made in good faith.
- B. All of the loans selected for consolidation have been used to finance my education or the education of my dependent child(ren).
- C. All of the loans selected for consolidation are in a grace period or in repayment ("in repayment" includes loans in deferment or forbearance).
- D. If I owe an overpayment on a Federal Perkins Loan, Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent (SMART) Grant, or Leveraging Educational Assistance Partnership Grant, I have made satisfactory arrangements with the holder to repay the amount owed.
- E. If I am in default on any loan I am consolidating (except as provided above in Item 22.F.), I have either made a satisfactory repayment arrangement with the holder of that defaulted loan, or I will repay my Direct Consolidation Loan under the ICR Plan or the IBR Plan.
- F. If I have been convicted of, or pled *nolo contendere* or guilty to, a crime involving fraud in obtaining federal student aid funds under the Act, I have completed the repayment of those funds to ED, or to the loan holder in the case of a Title IV federal student loan.

24. I make the following authorizations:

- A. I authorize ED to contact the holders of the loans selected for consolidation to determine the eligibility for consolidation and the payoff amounts of the loans listed in Section C1 of this Note and any of my other federal education loans that are held by a holder of a loan listed in Section C1. I further authorize release to ED or its agent of any information required to consolidate my education loans in accordance with the Act.
- B. I authorize ED to issue the proceeds of my Direct Consolidation Loan to the holders of the selected loans to pay off the debts.
- C. I authorize ED to investigate my credit record and report information about my loan status to persons and organizations permitted by law to receive that information.
- D. I authorize my school(s) and ED to release information about my Direct Consolidation Loan to the references on the loan and to members of my immediate family, unless I submit written directions otherwise.
- E. I authorize my school(s), ED, or their agents to verify my Social Security Number with the Social Security Administration (SSA) and, if the number on my loan record is incorrect, then I authorize SSA to disclose my correct Social Security Number to these parties.
- F. I authorize my schools, ED, and their respective agents and contractors to contact me regarding my loan request or my loan, including repayment of my loan, at the current or any future number that I provide for my cellular telephone or other wireless device using automated dialing equipment or artificial or prerecorded voice or text messages.

Section F: Promissory Note (continued on page 6) - to be completed and signed by the borrower.

25. **Promise to Pay.** I promise to pay to the ED all sums disbursed under the terms of this Note to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note. Unless I make interest payments, interest that accrues on my loan during forbearance periods and on the unsubsidized portion of my loan during deferment periods may be added, as provided under the Act, to the principal balance of my loan. If I do not make payments on this Note when due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees.

If ED accepts my application, I understand that ED will send funds to the holders of the loans that I want to consolidate to pay off those loans. I further understand that the amount of my Direct Consolidation Loan will equal the sum of the payoff balances on the loans selected for consolidation. My signature on this Note serves as my authorization to pay off the balances of the loans selected for consolidation as provided by the holders of the loans.

The payoff amount may be greater than or less than the estimated total balance I have indicated in Section C1. Further, I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of my Direct Consolidation Loan.

I will not sign this Note before reading the entire Note, even if I am told not to read it. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities Statement. My signature certifies that I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations in Section E, and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.

26. Borrower's Signature _____

Today's Date (mm-dd-yyyy) _____

Governing Law

The terms of this Federal Direct Consolidation Loan Application and Promissory Note (Note) will be interpreted in accordance with the Higher Education Act of 1965, as amended (20 U.S.C. 1070 *et seq.*), the U.S. Department of Education's (ED's) regulations, as they may be amended in accordance with their effective date, and other applicable federal laws and regulations (collectively referred to as the "Act"). Applicable state law, except as preempted by federal law, may provide for certain borrower rights, remedies, and defenses in addition to those stated in this Note.

Disclosure of Loan Terms

This Note applies to a Federal Direct Consolidation Loan (Direct Consolidation Loan). Under this Note, the principal amount that I owe and am required to repay will be equal to all sums disbursed to pay off my prior loan obligations, plus any unpaid interest that is capitalized and added to the principal amount.

My Direct Consolidation Loan may have up to two separate loan identification numbers depending on the loans I choose to consolidate. These loan identification numbers will represent prior subsidized loans and prior unsubsidized loans. Each applicable loan identification number is represented by this Note.

When the loans that I am consolidating are paid off, a disclosure statement will be provided to me. The disclosure will identify the amount of my Direct Consolidation Loan, the associated loan identification number(s), and additional terms of the loan, such as the interest rate and repayment schedule. If I have questions about the information disclosed, I may contact my servicer. Important additional information is also contained in the Borrower's Rights and Responsibilities Statement. The Borrower's Rights and Responsibilities Statement and any disclosure I receive in connection with the loan made under this Note are hereby incorporated into this Note.

I understand that ED may use a servicer to handle billing and other communications related to my loan.

Interest

Interest will be calculated using a formula provided for by the Act. Unless ED notifies me in writing of a lower rate, the interest rate on my Direct Consolidation Loan will be based on the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher one-eighth of one percent, but will not exceed 8.25%. This is a fixed interest rate, which means that the rate will remain the same throughout the life of the loan.

I agree to pay interest on the principal amount of my Direct Consolidation Loan from the date of disbursement until the loan is paid in full or discharged, except for interest ED does not charge me during a deferment period on the subsidized portion of my Direct Consolidation Loan. ED may add interest that accrues but is not paid when due to the unpaid principal balance of this loan, as provided under the Act. This is called capitalization.

Late Charges and Collection Costs

ED may collect from me: (1) a late charge of not more than six cents for each dollar of each late payment if I fail to make any part of a required installment payment within 30 days after it becomes due, and (2) any other charges and fees that are permitted by the Act related to the collection of my Direct Consolidation Loan. If I default on my loan, I will pay reasonable collection costs, plus court costs and attorney fees.

Repayment

I must repay the full amount of the Direct Consolidation Loan made under this Note, plus accrued interest. I will repay my loan in monthly installments during a repayment period that begins on the date of the first disbursement of the loan, unless it is in a deferment or forbearance period. Payments made by me or on my behalf will be applied first to late charges and collection costs that are due, then to interest that has not been paid, and finally to the principal amount of the loan, except during periods of repayment under the Income-Based Repayment (IBR) Plan. Under the IBR Plan, payments will be applied first to interest that is due, then to fees that are due, and then to the principal amount.

ED will provide me with a choice of repayment plans. Information on these plans is included in the Borrower's Rights and Responsibilities Statement. I must select

a repayment plan. If I do not select a repayment plan, ED will choose a plan for me in accordance with the Act.

ED will provide me with a repayment schedule that identifies my payment amounts and due dates. My first payment will be due within 60 days of the first disbursement of my Direct Consolidation Loan unless it is in a deferment or forbearance period. If I am unable to make my scheduled loan payments, ED may allow me to temporarily stop making payments, reduce my payment amount, or extend the time for making payments, as long as I intend to repay my loan. Allowing me to temporarily delay or reduce loan payments is called forbearance.

ED may adjust payment dates on my Direct Consolidation Loan or may grant me forbearance to eliminate a delinquency that remains even though I am making scheduled installment payments.

I may prepay any part of the unpaid balance on my loan at any time without penalty. After I have repaid my Direct Consolidation Loan in full, ED will send me a notice telling me that I have paid off my loan.

Acceleration and Default

At ED's option, the entire unpaid balance of the Direct Consolidation Loan will become immediately due and payable (this is called "acceleration") if either of the following events occurs: (1) I make a false representation that results in my receiving a loan for which I am not eligible; or (2) I default on the loan.

The following events will constitute a default on my loan: (1) I fail to pay the entire unpaid balance of the loan after ED has exercised its option under the preceding paragraph; (2) I fail to make installment payments when due, provided my failure has persisted for at least 270 days; or (3) I fail to comply with other terms of the loan, and ED reasonably concludes that I no longer intend to honor my repayment obligation. If I default, ED may capitalize all outstanding interest. This will increase the principal balance, and the full amount of the loan, including the new principal balance and collection costs, will become immediately due and payable.

If I default, the default will be reported to national consumer reporting agencies and will significantly and adversely affect my credit rating. I understand that a default will have additional adverse consequences to me as disclosed in the Borrower's Rights and Responsibilities Statement. Following default, I may be required to repay the loan (including potential collection of amounts in excess of the principal and interest) under the Income Contingent Repayment (ICR) Plan or the IBR Plan in accordance with the Act.

Legal Notices

Any notice required to be given to me will be effective if sent by first class mail to the most recent address that ED has for me, by electronic means to an address I have provided, or by any other method of notification permitted or required by applicable statute or regulation. I will immediately notify ED of a change of contact information or status, as specified in the Borrower's Rights and Responsibilities Statement.

If ED fails to enforce or insist on compliance with any term on this Note, this does not waive any right of ED. No provision of this Note may be modified or waived except in writing by ED. If any provision of this Note is determined to be unenforceable, the remaining provisions will remain in force.

Information about my loan will be submitted to the National Student Loan Data System (NSLDS). Information in NSLDS is accessible to schools, lenders, and guarantors for specific purposes as authorized by ED.

Borrower's Rights and Responsibilities Statement

Important Notice: This Borrower's Rights and Responsibilities Statement provides additional information about the terms and conditions of the loan you will receive under the accompanying Federal Direct Consolidation Loan (Direct Consolidation Loan) Application and Promissory Note (Note). **Please keep a copy of the Note and this Borrower's Rights and Responsibilities Statement for your records.**

In this document, the words "we," "us," and "our" refer to the U.S. Department of Education.

1. The William D. Ford Federal Direct Loan Program. The William D. Ford Federal Direct Loan (Direct Loan) Program includes the following types of loans, known collectively as "Direct Loans":

- Federal Direct Stafford/Ford Loans (Direct Subsidized Loans)
- Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans)
- Federal Direct PLUS Loans (Direct PLUS Loans)
- Federal Direct Consolidation Loans (Direct Consolidation Loans)

The Direct Loan Program is authorized by Title IV, Part D, of the Higher Education Act of 1965, as amended, 20 U.S.C. 1070 *et seq.* (HEA).

Direct Loans are made by the U.S. Department of Education. We contract with servicers to service, answer questions about, and process payments on Direct Loans. We will provide you with the address and telephone number of the servicer for your loan.

2. Laws that apply to this Note. The terms and conditions of loans made under this Note are determined by the HEA and other applicable federal laws and regulations. These laws and regulations are referred to as "the Act" throughout this Borrower's Rights and Responsibilities Statement. State law, unless it is preempted by federal law, may provide you with certain rights, remedies, and defenses in addition to those stated in the Note and this Borrower's Rights and Responsibilities Statement.

NOTE: Any change to the Act applies to loans in accordance with the effective date of the change.

3. Direct Consolidation Loan identification numbers. Depending on the type(s) of federal education loan(s) that you choose to consolidate, your Direct Consolidation Loan may have up to two individual loan identification numbers. However, you will have only one Direct Consolidation Loan and will receive only one bill.

3a. The subsidized portion of your Direct Consolidation Loan ("Direct Subsidized Consolidation Loan") will have one loan identification number representing the amount of the following types of loans that you consolidate:

- Subsidized Federal Stafford Loans
- Direct Subsidized Loans
- Subsidized Federal Consolidation Loans
- Direct Subsidized Consolidation Loans
- Federal Insured Student Loans (FISL)
- Guaranteed Student Loans (GSL)

3b. The unsubsidized portion of your Direct Consolidation Loan ("Direct Unsubsidized Consolidation Loan") will have one identification number representing the amount of the following types of loans that you consolidate:

- Unsubsidized and Nonsubsidized Federal Stafford Loans
- Direct Unsubsidized Loans
- Unsubsidized Federal Consolidation Loans
- Direct Unsubsidized Consolidation Loans
- Federal PLUS Loans (for parents or for graduate and professional students)
- Direct PLUS Loans (for parents or for graduate and professional students)
- Direct PLUS Consolidation Loans
- Federal Perkins Loans
- National Direct Student Loans (NDSL)
- National Defense Student Loans (NDSL)
- Federal Supplemental Loans for Students (SLS)
- Parent Loans for Undergraduate Students (PLUS)
- Auxiliary Loans to Assist Students (ALAS)
- Health Professions Student Loans (HPSL)
- Health Education Assistance Loans (HEAL)
- Nursing Student Loans (NSL)
- Loans for Disadvantaged Students (LDS)

4. Adding eligible loans to your Direct Consolidation Loan. You may add eligible loans to your Direct Consolidation Loan by submitting a request to us within 180 days of the date your Direct Consolidation Loan is made. (Your Direct Consolidation Loan is "made" on the date we pay off the first loan that you are consolidating.) After we pay off any loans that you add during the 180-day period, we will notify you of the new total amount of your Direct Consolidation Loan and of any adjustments that must be made to your monthly payment amount and/or interest rate.

If you want to consolidate any additional eligible loan(s) after the 180-day period, you must apply for a new Direct Consolidation Loan.

5. Loans that may be consolidated. *General.* Only the federal education loans listed in Items 3a. and 3b. of this Borrower's Rights and Responsibilities Statement may be consolidated into a Direct Consolidation Loan. You may only consolidate loans that are in a grace period or in repayment (including loans in deferment or forbearance). At least one of the loans that you consolidate must be a Direct Loan Program loan or a Federal Family Education Loan (FFEL) Program loan.

Defaulted loans. You may consolidate a loan that is in default if (a) you first make satisfactory repayment arrangements with the holder of the defaulted loan, or (b) you agree to repay your Direct Consolidation Loan under the Income Contingent Repayment (ICR) Plan or the Income-Based Repayment (IBR) Plan (see Item 10).

Existing consolidation loans. Generally, you may consolidate an existing Direct Consolidation Loan or Federal Consolidation Loan into a new Direct Consolidation Loan only if you include at least one additional eligible loan in the consolidation. However, you may consolidate a Federal Consolidation Loan into a new Direct Consolidation Loan without including an additional loan if the Federal Consolidation Loan is delinquent and has been submitted by the lender to the guaranty agency for default aversion, or if the Federal Consolidation Loan is in default. In such cases, you must agree to repay the new Direct Consolidation Loan under the ICR Plan or the IBR Plan. You may also consolidate a single Federal Consolidation Loan into a new Direct Consolidation Loan to use the Public Service Loan Forgiveness program described in Item 17 of this Borrower's Rights and Responsibilities Statement, or the no accrual of interest benefit for active duty service members described in Item 8.

6. Information you must report to us. Until your loan is repaid, you must notify your servicer if you:

- Change your address or telephone number;
- Change your name (for example, maiden name to married name);
- Change your employer or your employer's address or telephone number changes; or
- Have any other change in status that would affect your loan (for example, if you receive a deferment while you are unemployed, but you find a job and therefore no longer meet the eligibility requirements for the deferment)

7. Interest rate. The interest rate on your Direct Consolidation Loan will be the lesser of the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher one-eighth of one percent, OR 8.25%. We will send you a notice that tells you the interest rate on your loan.

The interest rate on a Direct Consolidation Loan is a fixed rate. This means that the interest rate will remain the same throughout the life of your loan.

If you qualify under the Servicemembers Civil Relief Act, the interest rate on your loans obtained prior to military service may be limited to 6% during your military service. To receive this benefit, you must contact your servicer for information about the documentation you must provide to show that you qualify.

8. Payment of interest. Except as provided below for borrowers who serve in the military, interest accrues on a Direct Consolidation Loan from the date the loan is made until it is paid in full or discharged, including during periods of deferment or forbearance. You are responsible for paying all interest that accrues, except for interest that accrues on the subsidized portion of a Direct Consolidation Loan ("Direct Subsidized Consolidation Loan" – see Item 3a.) during deferment periods.

If you do not pay the interest as it accrues during the periods described above, we will add the interest to the unpaid principal amount of your loan at the end of the deferment or forbearance period. This is called "capitalization." Capitalization increases the unpaid principal balance of your loan, and interest will then accrue on the increased principal amount.

The chart below shows the difference in the total amount you would repay on a \$15,000 Direct Unsubsidized Consolidation Loan if you pay the interest as it accrues during a 12-month deferment or forbearance period, compared to the amount you would repay if you do not pay the interest and it is capitalized.

	If you pay the interest as it accrues...	If you do not pay the interest and it is capitalized...
Loan Amount	\$15,000	\$15,000
Capitalized Interest for 12 Months (at the maximum rate of 8.25%)	\$0	\$1,238
Principal to be Repaid	\$15,000	\$16,238
Monthly Payment (Standard Repayment Plan)	\$146	\$158
Number of Payments	180	180
Total Amount Repaid	\$26,209	\$28,359

In this example, you would pay \$12 less per month and \$2,150 less altogether if you pay the interest as it accrues during a 12-month deferment or forbearance period.

You may be able to claim a federal income tax deduction for interest payments you make on Direct Loans. For further information, refer to IRS Publication 970, which is available at <http://www.irs.ustreas.gov>.

Under the no interest accrual benefit for active duty service members, during periods of qualifying active duty military service interest does not accrue on the portion of a Direct Consolidation Loan that repaid a Direct Loan Program or FFEL Program loan first disbursed on or after October 1, 2008 (for up to 60 months).

9. Repayment incentive programs. A repayment incentive is a benefit that we offer to encourage you to repay your loan on time. Under a repayment incentive program, the interest rate we charge on your loan may be reduced. Some repayment incentive programs require you to make a certain number of payments on time to keep the reduced interest rate. For Direct Consolidation Loans, the following repayment incentive program may be available to you:

Interest Rate Reduction for Automatic Withdrawal of Payments

Under the automatic withdrawal option, your bank automatically deducts your monthly loan payment from your checking or savings account and sends it to us. Automatic withdrawal helps to ensure that your payments are made on time. In addition, you receive a 0.25% interest rate reduction while you repay under the automatic withdrawal option. We will include information about the automatic withdrawal option in your first bill. You can also get this information on your servicer's web site, or by calling your servicer. Your servicer's web site address and toll-free telephone number are provided on all correspondence that your servicer sends you.

Your servicer can provide you with more information on other repayment incentive programs that may be available.

Note: Another repayment incentive program, the up-front interest rebate, is available on Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans that were first disbursed before July 1, 2012. The rebate is equal to a percentage of the loan amount, and is the same amount that would result if the interest rate on the loan were lowered by a specific percentage. To permanently keep an up-front interest rebate, a borrower must make each of the first 12 required monthly payments on time when the loan enters repayment. If you consolidate a Direct Loan on which you received an up-front interest rebate before you permanently earn the rebate (the correspondence you received about

your loan will tell you if you received a rebate), you will have to make the first 12 required monthly payments on your Direct Consolidation Loan on time to keep the interest rebate. "On time" means that we must receive each payment no later than 6 days after the due date. You will lose the rebate if you do not make all of your first 12 required monthly payments on your Direct Consolidation Loan on time. If you lose the rebate, we will add the rebate amount back to the principal balance on your loan account. This will increase the amount that you must repay.

10. Repaying your loan. Unless you receive a deferment or forbearance on your loan (see Item 16), your first payment will be due within 60 days of the first disbursement of your Direct Consolidation Loan. Your servicer will notify you of the date your first payment is due.

You must make payments on your loan even if you do not receive a bill or repayment notice.

Generally, you must repay all of your Direct Loans under the same repayment plan. You may choose one of the following repayment plans to repay any Direct Consolidation Loan:

- **Standard Repayment Plan** – Under this plan, you will make fixed monthly payments and repay your loan in full within 10 to 30 years (not including periods of deferment or forbearance) from the date the loan entered repayment, depending on the amount of your Direct Consolidation Loan and the amount of your other student loan debt (not to exceed the amount you are consolidating) as listed in Section C2 of your Note (see the chart below). Your payments must be at least \$50 a month (\$600 a year) and will be more, if necessary, to repay the loan within the required time period.
- **Graduated Repayment Plan** – Under this plan, your payments will be lower at first and will then increase over time, usually every two years. You will repay your loan in full within 10 to 30 years (not including periods of deferment or forbearance) from the date the loan entered repayment, depending on the total amount of your Direct Consolidation Loan and the amount of your other student loan debt (not to exceed the amount you are consolidating) as listed in Section C2 of your Note (see the chart below). No single payment under this plan will be more than three times greater than any other payment.

Maximum Repayment Periods Under the Standard and Graduated Repayment Plans	
Total Education Loan Indebtedness	Maximum Repayment Period
Less than \$7,500	10 years
\$7,500 to \$9,999	12 years
\$10,000 to \$19,999	15 years
\$20,000 to \$39,999	20 years
\$40,000 to \$59,999	25 years
\$60,000 or more	30 years

- **Extended Repayment Plan** – You may choose this plan only if: (1) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998, or on the date you obtained a Direct Loan Program loan on or after October 7, 1998; and (2) you have an outstanding balance on Direct Loan Program Loans that exceeds \$30,000. Under this plan, you may choose to make either fixed or graduated monthly payments and will repay your loan in full over a repayment period not to exceed 25 years (not including periods of deferment or forbearance) from the date your loan entered repayment. If you choose to make fixed monthly payments, your payments must be at least \$50 a month (\$600 a year) and will be more, if necessary, to repay the loan within the required time period. If you choose to make graduated monthly payments, your payments will start out lower and will then increase over time, generally every two years. Under a graduated repayment schedule, your monthly payment must at least be equal to the amount of interest that accrues each month, and no single payment will be more than three times greater than any other payment.
- **Income Contingent Repayment (ICR) Plan** – Under this plan, your monthly payment amount will be based on your adjusted gross income (and that of your spouse if you are married), your family size, and the total amount of your Direct Loans. Until we obtain the information needed to calculate your monthly payment amount, your payment will equal the amount of interest that accrues monthly on your loan unless you request a forbearance. As your income

changes, your payments may change. If you do not repay your loan after 25 years under this plan, the unpaid portion will be forgiven. You may have to pay income tax on any amount forgiven.

In addition to the repayment plans listed above, you may also choose the following repayment plan to repay a Direct Consolidation Loan if you are not consolidating a parent Direct PLUS Loan or a parent Federal PLUS Loan (see Note below):

- **Income-Based Repayment (IBR) Plan** – Under this plan, your required monthly payment amount will be based on your income. To initially qualify for this plan and to continue to make income-based payments, you must have a partial financial hardship. Your monthly payment amount may be adjusted annually. The maximum repayment period under this plan may exceed 10 years. If your loan is not repaid in full after you have made the equivalent of 25 years of qualifying payments and at least 25 years have elapsed, you may qualify for forgiveness of any outstanding balance on your loans. You may have to pay income tax on any amount forgiven.

NOTE: A parent PLUS loan is a PLUS loan that you obtained to help pay for your dependent child's undergraduate education. Direct Consolidation Loans that repaid parent Direct PLUS Loans or parent Federal PLUS Loans may not be repaid under the IBR Plan. However, such loans may be repaid under the ICR Plan.

If you can show to our satisfaction that the terms and conditions of these repayment plans are not adequate to meet your exceptional circumstances, we may provide you with an alternative repayment plan.

If you do not choose a repayment plan, we will choose a plan for you in accordance with the Act.

You may change repayment plans at any time after you have begun repaying your loan. There is no penalty if you make loan payments before they are due, or pay more than the amount due each month.

Except for payments made under the IBR Plan, we apply your payments in the following order: (1) late charges and collection costs, (2) outstanding interest, and (3) outstanding principal. For payments made under the IBR Plan, we apply your payments in the following order: (1) outstanding interest, (2) late charges and collection costs, and (3) outstanding principal.

When you have repaid your loan in full, your servicer will send you a notice telling you that you have paid off your loan. You should keep this notice in a safe place.

11. Transfer of loan. We may transfer one or all of your loans to another servicer without your consent. If the address to which you must send payments or correspondence changes, you will be notified of the new servicer's name, address and telephone number, the effective date of the transfer, and the date when you must begin sending payments or directing communications to that servicer. Transfer of a loan to a different servicer does not affect your rights and responsibilities under that loan.

12. Late charges and collection costs. If you do not make any part of a payment within 30 days after it is due, we may require you to pay a late charge. This charge will not be more than six cents for each dollar of each late payment. If you do not make payments as scheduled, we may also require you to pay other charges and fees involved in collecting your loan.

13. Demand for immediate repayment. The entire unpaid amount of your loan becomes due and payable (this is called "acceleration") if you:

- Make a false statement that causes you to receive a loan that you are not eligible to receive; or
- Default on your loan.

14. Defaulting on your loan. Default (failing to repay your loan) is defined in detail under "Acceleration and Default" on page 4 of this Note. If you default:

- You will be required to immediately repay the entire unpaid amount of your loan.
- We may sue you, take all or part of your federal tax refund or other federal payments, and/or garnish your wages so that your employer is required to send us part of your wages to pay off your loan.
- You will be required to pay reasonable collection fees and costs, plus court costs and attorney fees.
- You will lose eligibility for other federal student aid and assistance under most federal benefit programs.
- You will lose eligibility for loan deferments.

- We will report your default to national consumer reporting agencies (see Item 15).

15. Consumer reporting agency notification. We will report information about your loan to each national consumer reporting agency on a regular basis. This information will include the disbursement dates, amount, and repayment status of your loan (for example, whether you are current or delinquent in making payments). Your loan will be identified as an education loan.

If you default on a loan, we will report the default to national consumer reporting agencies. We will notify you at least 30 days in advance that we plan to report default information to a consumer reporting agency unless you resume making payments on the loan within 30 days of the date of the notice. You will be given a chance to ask for a review of the debt before we report it.

If a consumer reporting agency contacts us regarding objections you have raised about the accuracy or completeness of any information we have reported, we are required to provide the consumer reporting agency with a prompt response.

16. Deferment and forbearance (postponing payments). If you meet certain requirements, you may receive a **deferment** that allows you to temporarily stop making payments on your loan. If you cannot make your scheduled loan payments, but do not qualify for a deferment, we may give you a **forbearance**. A forbearance allows you to temporarily stop making payments on your loan, temporarily make smaller payments, or extend the time for making payments.

Deferment

You may receive a deferment:

- While you are enrolled at least half time at an eligible school;
- While you are in a full-time course of study in a graduate fellowship program;
- While you are in an approved full-time rehabilitation program for individuals with disabilities;
- While you are unemployed (for a maximum of three years; you must be diligently seeking, but unable to find, full-time employment); or
- While you are experiencing an economic hardship (including Peace Corps service), as determined under the Act (for a maximum of three years).
- While you are serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency, and if you were serving on or after October 1, 2007, for an additional 180-day period following the demobilization date for your qualifying service; or
- If you are a member of the National Guard or other reserve component of the U.S. Armed Forces (current or retired) and you are called or ordered to active duty while enrolled at an eligible school, or within 6 months of having been enrolled at least half time, you are eligible for a deferment during the 13 months following the conclusion of the active duty service, or until you return to enrolled student status on at least a half-time basis, whichever is earlier.

You may be eligible to receive additional deferments if, at the time you received your first Direct Loan, you had an outstanding balance on a loan made under the Federal Family Education Loan (FFEL) Program before July 1, 1993. If you meet this requirement, contact your servicer about additional deferments that may be available.

You may receive a deferment while you are enrolled in school on at least a half-time basis if: (1) you submit a deferment request form to your servicer along with documentation of your eligibility for the deferment; or (2) your servicer receives information from the school you are attending that indicates you are enrolled at least half time. If your servicer processes a deferment based on information received from your school, you will be notified of the deferment and will have the option of canceling the deferment and continuing to make payments on your loan.

For all other deferments, you (or, for a deferment based on active military duty or qualifying National Guard duty during a war or other military operation or national emergency, your representative) must submit a deferment request form to your servicer, along with documentation of your eligibility for the deferment. In certain circumstances, you may not be required to provide documentation of your eligibility if your servicer confirms that you have been granted the same deferment for the same period of time on a FFEL Program loan. Your servicer can provide you with a deferment request form that explains the requirements for the type of deferment you are requesting. You may also obtain deferment request forms and information on deferment eligibility requirements from your servicer's web site.

If you are in default on your loan, you are not eligible for a deferment.

You are responsible for paying the interest that accrues on a Direct Unsubsidized Consolidation Loan during a deferment period. You are not responsible for paying the interest that accrues on a Direct Subsidized Consolidation Loan during a deferment period.

Forbearance

We may give you a forbearance if you are temporarily unable to make your scheduled loan payments for reasons including, but not limited to, financial hardship and illness.

We will give you a forbearance if:

- You are serving in a medical or dental internship or residency program, and you meet specific requirements;
- The total amount you owe each month for all of the student loans you received under Title IV of the Act is 20% or more of your total monthly gross income (for a maximum of three years);
- You are serving in a national service position for which you receive a national service education award under the National and Community Service Act of 1990 (AmeriCorps). In some cases, the interest that accrues on a qualified loan during the service period will be paid by the Corporation for National and Community Service;
- You qualify for partial repayment of your loans under the Student Loan Repayment Program, as administered by the Department of Defense;
- You are performing service that would qualify you for loan forgiveness under the teacher loan forgiveness program that is available to certain Direct Loan and FFEL program borrowers; or
- You are a member of the National Guard who qualifies for a post-active duty student deferment but not for a military service deferment or other deferment, and you are engaged in active state duty for a period of more than 30 consecutive days.

To request a forbearance, contact your servicer. Your servicer can provide you with a forbearance request form that explains the requirements for the type of forbearance you are requesting. You may also obtain forbearance request forms and information on forbearance eligibility requirements from your servicer's web site. Under certain circumstances, we may also give you a forbearance without requiring you to submit a request or documentation. These circumstances include, but are not limited to, the following:

- Periods necessary for us to determine your eligibility for a loan discharge;
- A period of up to 60 days for us to collect and process documentation related to your request for a deferment, forbearance, change in repayment plan, or consolidation loan (we do not capitalize interest charged during this period); or
- Periods when you are involved in a military mobilization or are affected by a local or national emergency.

You are responsible for paying the interest that accrues on your entire Direct Consolidation Loan during a forbearance period.

17. Discharge (having your loan forgiven). We will discharge (forgive) your Direct Consolidation Loan if:

- Your servicer receives acceptable documentation of your death. We will also discharge the portion of a Direct Consolidation Loan that repaid one or more Direct PLUS Loans or Federal PLUS Loans obtained on behalf of a student who dies.
- Your loan is discharged in bankruptcy. However, federal student loans are not automatically discharged if you file for bankruptcy. To have your loan discharged in bankruptcy, you must prove to the bankruptcy court in an adversary proceeding that repaying the loan would cause undue hardship.
- You become totally and permanently disabled (as defined in the Act) and meet certain other requirements.

In certain cases, we may also discharge all or a portion of your Direct Consolidation Loan if:

- One or more Direct Loan Program, FFEL Program, or Federal Perkins Loan Program loans that you consolidated was used to pay for a program of study that you (or the dependent student for whom you borrowed a PLUS loan) were unable to complete because the school closed;
- Your eligibility (or the eligibility of the dependent student for whom you borrowed a PLUS loan) for one or more of the Direct Loan Program or FFEL Program loans that you consolidated was falsely certified by the school;

- Your eligibility for one or more of the Direct Loan Program or FFEL Program loans that you consolidated was falsely certified as a result of a crime of identity theft; or
- The school did not pay a required refund of one or more Direct Loan Program or FFEL Program loans that you consolidated.

We may forgive a portion of your Direct Consolidation Loan that repaid Direct Subsidized or Direct Unsubsidized Loans you received after October 1, 1998, or subsidized or unsubsidized Federal Stafford Loans you received under the FFEL program after October 1, 1998 if you: **(1)** teach full time for five consecutive years in certain elementary and/or secondary schools or educational service agencies that serve low-income families; **(2)** meet certain other qualifications; and **(3)** did not owe a Direct Loan or a FFEL Program loan as of October 1, 1998, or as of the date you obtain a loan after October 1, 1998.

A Public Service Loan Forgiveness program is available that provides for the cancellation of the remaining balance due on your eligible Direct Loan Program loans after you have made 120 full, on-time, scheduled monthly payments (after October 1, 2007) on those loans under certain repayment plans while you are employed full-time by certain public service organizations.

The Act may provide for certain loan forgiveness or repayment benefits on your loans in addition to the benefits described above. If other forgiveness or repayment options become available, your servicer will provide information about these benefits.

To request a loan discharge based on one of the conditions described above (except for discharges due to death or bankruptcy), you must complete an application that you may obtain from your servicer.

In some cases, you may assert, as a defense against collection of your loan, that the school did something wrong or failed to do something that it should have done. You can make such a defense against repayment only if the school's act or omission directly relates to your loan or to the educational services that the loan was intended to pay for, and if what the school did or did not do would give rise to a legal cause of action against the school under applicable state law. If you believe that you have a defense against repayment of your loan, contact your servicer.

We do not guarantee the quality of the academic programs provided by schools that participate in federal student financial aid programs. You must repay your loan even if you do not complete your education, are unable to obtain employment in your field of study, or are dissatisfied with, or do not receive, the education you paid for with the loan.

18. Department of Defense and other federal agency loan repayment. Under certain circumstances, military personnel may have education loans repaid by the Secretary of Defense. This benefit is offered as part of a recruitment program that does not apply to individuals based on their previous military service or to those who are not eligible for enlistment in the U.S. Armed Forces. For more information, contact your local military service recruitment office.

Other agencies of the federal government may also offer student loan repayment programs as an incentive to recruit and retain employees. Contact the agency's human resources department for more information.

END OF BORROWER'S RIGHTS AND RESPONSIBILITIES STATEMENT

IMPORTANT NOTICES

Gramm-Leach-Bliley Act Notice

In 1999, Congress enacted the Gramm-Leach-Bliley Act (Public Law 106-102). This Act requires that lenders provide certain information to their customers regarding the collection and use of nonpublic personal information.

We disclose nonpublic personal information to third parties only as necessary to process and service your loan and as permitted by the Privacy Act of 1974. See the Privacy Act Notice below. We do not sell or otherwise make available any information about you to any third parties for marketing purposes.

We protect the security and confidentiality of nonpublic personal information by implementing the following policies and practices. All physical access to the sites where nonpublic personal information is maintained is controlled and monitored by security personnel. Our computer systems offer a high degree of resistance to tampering and circumvention. These systems limit data access to our staff and contract staff on a "need-to-know" basis, and control individual users' ability to access and alter records within the systems. All users of these systems are given a unique user ID with personal identifiers. All interactions by individual users with the systems are recorded.

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 (HEA) of 1965, as amended (20 U.S.C. 1087a et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) and 31 U.S.C. 7701(b). 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 and report 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, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies 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 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, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

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 be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Financial Privacy Act Notice

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), ED will have access to financial records in your student loan file maintained in compliance with the administration of the Direct Loan Program.

Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless the collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 1.0 hour (60 minutes) per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 685.201(c)(1). Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or e-mail ICDocketMgr@ed.gov and reference OMB Control Number 1845-0053. **Note: Please do not return the completed Federal Direct Consolidation Loan Application and Promissory Note to this address.**



RPR

REPAYMENT PLAN REQUEST:

Standard Repayment Plan/Extended Repayment Plan/Graduated Repayment Plan

William D. Ford Federal Direct Loan (Direct Loan) Program

OMB No. 1845-0014
Form Approved
Exp. Date 12/31/2016

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN | | | - | | | - | | | |

Name _____

Address _____

City, State, Zip _____

Telephone - Primary _____

Telephone - Alternate _____

E-mail (Optional) _____

SECTION 2: REPAYMENT PLAN REQUEST

1. Choose one of the following:

- I want to select a plan for all of my Direct Loans.
- I want to select a plan for only my Direct Loans that are not eligible for the Income-Based Repayment (IBR), Pay As You Earn, or Income-Contingent Repayment (ICR) Plan. The following loans are not eligible for these plans:

- Direct Parent PLUS Loans: not eligible for IBR, Pay As You Earn, or ICR.
- Direct Consolidation Loans made on or after July 1, 2006 that repaid Direct Parent PLUS Loans or Federal Parent PLUS Loans: not eligible for IBR or Pay As You Earn. These loans are eligible for ICR.
- Direct Consolidation Loans made before July 1, 2006 that repaid Direct Parent PLUS Loans or Federal Parent PLUS Loans (these are called "Direct PLUS Consolidation Loans"): not eligible for IBR, Pay As You Earn, or ICR.

2. Check the box for the repayment plan that you wish to select:

These plans are described in Section 5. Sample payment amounts for each plan are provided in Section 7.

Standard Graduated Extended - Fixed Payments Extended - Graduated Payments

Note: If you are interested in the IBR, Pay As You Earn, or ICR Plan, visit StudentLoans.gov to read or complete the application or StudentAid.gov to learn more. To help you compare these plans to the Standard, Graduated, and Extended plans, sample payment amounts for the IBR, Pay As You Earn, and ICR Plans are provided in Section 7.

SECTION 3: BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATION

- **I understand that:** (1) I must choose the same repayment plan for all of my Direct Loans unless I want to repay my loans under the IBR, Pay As You Earn, or ICR Plan and I have some loans that may not be repaid under those plans. In this case, I may select the IBR, Pay As You Earn, or ICR plan for the loans that are eligible for those plans by submitting the IBR/Pay As You Earn/ICR Plan Request, and may select a different repayment plan for the loans that may not be repaid under IBR, Pay As You Earn, or ICR. (2) If I am beginning repayment of my loans for the first time and I do not select a repayment plan, I will be placed on the Standard Repayment Plan. (3) If I am delinquent in making payments under my current repayment plan at the time I request to change to a different plan, my servicer may grant me a forbearance to cover any payments that are overdue at the time I enter the repayment plan I selected in Section 2. Unpaid interest that accrues during this forbearance period may be capitalized at the end of the forbearance period.
- **I certify that (1):** The information I have provided on this form is true and correct and (2) I have read and understand the terms and conditions of the repayment plan that I requested in Section 2, as explained in Section 5.
- **I authorize** the U.S. Department of Education (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at the number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower Signature _____

Date _____

SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: January 31, 2013 = 01-31-2013. If you need help completing this form, contact your federal loan servicer. If you want to apply for a repayment plan and your Direct Loans are serviced by different federal loan servicers, you must submit a separate repayment plan request to each loan servicer.

Return the completed form and any required documentation to the address shown in Section 6.

SECTION 5: REPAYMENT PLAN DESCRIPTIONS

STANDARD REPAYMENT PLAN

Under this plan, you will pay a fixed amount each month over the course of your maximum repayment period in an amount that will ensure that your loan is fully repaid by the end of your repayment period. This plan may result in lower total interest paid when compared to other plans. For Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans, the maximum repayment period is 10 years. For Direct Consolidation Loans, the maximum repayment period ranges from 10 to 30 years, depending on loan debt.

GRADUATED REPAYMENT PLAN

Under this plan, your payments start out low and then increase every two years. No single payment under this plan will be more than three times greater than any other payment. Your payment amount will ensure that your loan is fully repaid by the end of your repayment period. Generally, the amount you will repay over the life of your loan will be higher under this plan than under the Standard Repayment Plan. This plan may be beneficial if your income is low now but is likely to steadily increase. For Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans, the maximum repayment period is 10 years. For Direct Consolidation Loans, the maximum repayment period ranges from 10 to 30 years, depending on loan debt.

EXTENDED REPAYMENT PLAN

- You may choose this plan only if **(1)** you had no outstanding balance on a Direct Loan on October 7, 1998 or on the date you obtained a Direct Loan after that date, and **(2)** you owe more than \$30,000 in outstanding Direct Loans.
- Under this plan, you have the option of making either fixed or graduated payments over your maximum repayment period. Your payment amount will ensure that your loan is fully repaid by the end of your repayment period. If you choose graduated payments, your payments start out low and then increase every two years.
- Under either the fixed or graduated monthly payment option, the Extended Repayment Plan will give you a lower monthly payment on your non-consolidation loans than the Standard or Graduated Repayment Plans. However, because of the longer repayment period, you will pay more interest over the life of your loans.
- For all loan types, the maximum repayment period is 25 years.

See Section 7 for sample repayment amounts under each of these repayment plans.

SECTION 6: WHERE TO SEND THE COMPLETED REPAYMENT PLAN REQUEST

Return the completed form and any required documentation to:
(If no address is shown, return to your loan servicer.)

If you need help completing this form, call:
(If no telephone number is shown, call your loan servicer.)

SECTION 7: SAMPLE PAYMENT AMOUNTS

Below are two tables that provide examples of monthly and total payment amounts under the Standard, Graduated, and Extended repayment plans. These figures are estimates, and use an interest rate of 8.25%. Various factors, including your actual interest rate and the amount of your loan debt, may cause your payment amount to differ from the payment amounts shown in these tables. Your federal loan servicer will provide you with the actual monthly payment amount after you select a repayment plan.

Table 1. Sample Payment Amounts Under the Standard, Graduated, Extended-Fixed, and Extended-Graduated Plans for Direct Subsidized, Unsubsidized, and PLUS Loans

Debt	Standard (10 years)		Graduated (10 years)			Extended-Fixed (25 years)		Extended-Graduated (25 years)		
	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$20,000	\$245	\$29,437	\$144	\$431	\$32,177	Not Eligible	-	Not Eligible	-	-
\$30,000	\$368	\$44,155	\$216	\$647	\$48,265	Not Eligible	-	Not Eligible	-	-
\$40,000	\$491	\$58,873	\$287	\$862	\$64,353	\$315	\$94,614	\$275	\$417	\$101,515
\$50,000	\$613	\$73,592	\$359	\$1,078	\$80,442	\$394	\$118,268	\$344	\$521	\$126,899
\$60,000	\$736	\$88,310	\$431	\$1,294	\$96,530	\$473	\$141,921	\$413	\$625	\$152,280
\$70,000	\$859	\$103,028	\$503	\$1,509	\$112,618	\$552	\$165,575	\$481	\$730	\$177,664
\$80,000	\$981	\$117,747	\$575	\$1,725	\$128,706	\$631	\$189,228	\$550	\$834	\$203,046
\$90,000	\$1,104	\$132,465	\$647	\$1,940	\$144,795	\$710	\$212,882	\$619	\$938	\$228,427

Table 2. Sample Payment Amounts Under the Standard, Graduated, Extended-Fixed, and Extended-Graduated Plans for Direct Consolidation Loans

Debt	Standard (10-30 years)			Graduated (10-30 years)				Extended-Fixed (25 yrs.)		Extended-Graduated (25 years)		
	Maximum Repayment Period	Payment	Total Paid	Maximum Repayment Period	Minimum Payment	Maximum Payment	Total Paid	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$20,000	20 years	\$170	\$40,899	20 years	\$138	\$241	\$44,420	Not Eligible	-	Not Eligible	-	-
\$30,000	20 years	\$256	\$61,349	20 years	\$206	\$362	\$66,631	Not Eligible	-	Not Eligible	-	-
\$40,000	25 years	\$315	\$94,614	25 years	\$275	\$417	\$101,515	\$315	\$94,614	\$275	\$417	\$101,515
\$50,000	25 years	\$394	\$118,268	25 years	\$344	\$521	\$126,899	\$394	\$118,268	\$344	\$521	\$126,899
\$60,000	30 years	\$451	\$162,274	30 years	\$413	\$549	\$166,145	\$473	\$141,921	\$413	\$625	\$152,280
\$70,000	30 years	\$526	\$189,319	30 years	\$481	\$640	\$193,841	\$552	\$165,575	\$481	\$730	\$177,664
\$80,000	30 years	\$601	\$216,365	30 years	\$550	\$732	\$221,531	\$631	\$189,228	\$550	\$834	\$203,046
\$90,000	30 years	\$676	\$243,410	30 years	\$619	\$823	\$249,228	\$710	\$212,882	\$619	\$938	\$228,427

SECTION 7: SAMPLE PAYMENT AMOUNTS (CONTINUED)

Below are three tables that provide examples of monthly and total payment amounts under the IBR, Pay As You Earn, and ICR Plans. These figures are estimates, and use an interest rate of 8.25%. The figures also make an assumption that you are single, do not have anyone else in your household, and that you live in one of the 48 contiguous states. Various factors, including your actual interest rate, the amount of your loan debt, your income, and whether and how quickly it rises (these figures assume income increases 5% per year), may cause your payment amount to differ from the payment amounts shown in these tables. These figures use the 2013 Poverty Guidelines (published by the U.S. Department of Health and Human Services) and Income Percentage Factors.

Table 3. Sample Payment Amounts for the Income-Based Repayment (IBR) Plan for Those Who Are Not New Borrowers On/After July 1, 2014

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$97	\$245	\$43,861	219	Not Eligible	-	-	-	Not Eligible	-	-	-
\$40,000	\$97	\$491	\$89,628	300	\$285	\$491	\$72,680	173	Not Eligible	-	-	-
\$60,000	\$97	\$642	\$94,175	300	\$285	\$736	\$148,999	268	\$535	\$736	\$97,093	143
\$80,000	\$97	\$642	\$94,175	300	\$285	\$981	\$193,464	300	\$535	\$981	\$156,150	193
\$100,000	\$97	\$642	\$94,175	300	\$285	\$1,227	\$201,322	300	\$535	\$1,227	\$236,102	251

Table 4. Sample Payment Amounts for the Pay As You Earn Plan for Eligible Borrowers & IBR Plan for Those Who Are New Borrowers On/After July 1, 2014

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$65	\$245	\$38,488	240	\$190	\$245	\$31,254	134	Not Eligible	-	-	-
\$40,000	\$65	\$309	\$40,127	240	\$190	\$491	\$85,707	240	\$356	\$491	\$64,729	143
\$60,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$736	\$129,366	222
\$80,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$981	\$154,976	240
\$100,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$1,046	\$155,860	240

Table 5. Sample Payment Amounts for the Income-Contingent Repayment (ICR) Plan

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$151	\$199	\$43,436	249	\$193	\$219	\$33,513	161	\$219	\$251	\$30,761	131
\$40,000	\$225	\$423	\$96,630	274	\$385	\$438	\$67,027	161	\$438	\$502	\$61,523	131
\$60,000	\$225	\$694	\$146,629	300	\$475	\$658	\$106,605	175	\$658	\$754	\$92,284	131
\$80,000	\$225	\$1,018	\$162,256	300	\$475	\$939	\$176,175	233	\$809	\$1,015	\$124,521	240
\$100,000	\$225	\$1,018	\$163,256	300	\$475	\$1,360	\$281,310	298	\$809	\$1,296	\$171,619	158

SECTION 8: IMPORTANT NOTICES

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

The authority for collecting the requested information from and about you is §421 *et seq.*, §451 *et seq.*, and/or §461 *et seq.* of the Higher Education Act (HEA) of 1965, as amended (20 USC 1071 *et seq.*, 20 USC 1087a *et seq.*, and/or 20 USC 1087aa *et seq.*), and the authorities for collecting and using your Social Security Number (SSN) are §484(a)(4) of the HEA (20 USC 1091(a)(4)) and 31 USC 7701(b). Participating in the Federal Family Education Loan (FFEL) Program, William D. Ford Federal Direct Loan (Direct Loan) Program, and Federal Perkins Loan (Perkins) 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 FFEL Program, Direct Loan Program, and/or Perkins Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report 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, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies 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 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, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for

educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

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 USC Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. 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. Public reporting burden for this collection of information is estimated to average 0.167 hours (10 minutes) per response, including the time for reviewing instructions, searching existing data resources, gathering and maintaining the data needed, and completing and reviewing the information collection. Individuals are obligated to respond to this collection to obtain a benefit in accordance with 34 CFR 685.208. Send comments regarding the burden estimate(s) or any other aspect of this collection of information, including suggestions for reducing this burden to the U.S. Department of Education, 400 Maryland Avenue, SW, Washington, DC 20210-4537 or e-mail ICDocketMgr@ed.gov and reference OMB Control Number 1845-0014. **Note: Please do not return the completed form to this address.**

If you have questions regarding the status of your individual submission of this form, contact your loan servicer (see Section 6).



INCOME-DRIVEN REPAYMENT PLAN REQUEST:

Income-Based Repayment (IBR), Pay As You Earn, and Income-Contingent Repayment (ICR) plans for the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program

OMB No. 1845-0102
Form Approved
Exp. Date 11/30/2015

IDR

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN _____ - _____ - _____

Name _____

Address _____

City, State, Zip _____

Telephone - Primary (_____) _____ - _____

Telephone - Alternate (_____) _____ - _____

E-mail (optional) _____

SECTION 2: REPAYMENT PLAN OR RECERTIFICATION REQUEST

Before completing this form, carefully read the entire form. Return the completed form and any required documentation to the address shown in Section 7. You may be able to complete your request online by visiting StudentLoans.gov.

Other repayment plans may be available and may offer a lower monthly payment amount. You may pay more interest over time under an income-driven plan and may have to pay federal income tax on any loan amount forgiven under an income-driven plan. A calculator is available at StudentAid.gov/repayment-estimator to estimate your payment amounts under all available repayment plans.

1. Please select the reason that you are completing this request by checking box a, b, or c, below.

- a. I am requesting a repayment plan based on my income - Check the plan(s) you are requesting below and then continue to item 2.

Income-Driven Repayment Plan	Direct Loan Program Loans	FFEL Program Loans
IBR	<input type="checkbox"/>	<input type="checkbox"/>
Pay As You Earn	<input type="checkbox"/>	Not Available
ICR	<input type="checkbox"/>	Not Available
I request that my loan holder determine which of the above plans I am eligible for, and place me on the plan with the lowest monthly payment amount.	<input type="checkbox"/> Only IBR is available for FFEL Program loans	

Your request will apply to all of your loans that are eligible for the plan you choose. You will need to choose a different repayment plan for loans that are not eligible for an income-driven repayment plan (see section 9) or those loans will be placed on the standard repayment plan.

- b. I am submitting annual documentation for the recalculation of my monthly payment amount under my current repayment plan - Continue to item 2.
- c. I am requesting that my loan holder recalculate my current monthly payment amount because my circumstances have changed - Continue to item 2.

2. Check this box if you owe eligible loans to more than one loan holder. You must submit a separate request to each holder of the loans you want to repay under the IBR, Pay As You Earn, or ICR plan.

You must promptly submit to your loan holder this completed form and a copy of your most recent federal income tax return or federal income tax return transcript (see Section 4), or, if applicable, alternative documentation of your current income (see Section 5).

SECTION 3: SPOUSAL INFORMATION

Complete this section if any of the following apply to you:

- You file a joint federal income tax return with your spouse **and** your spouse has eligible loans.
- You have a joint Direct or FFEL Consolidation Loan that you obtained with your spouse as a co-borrower.
- You and your spouse have Direct Loans and both of you want to repay those loans under the ICR Plan.

3. Spouse's SSN _____ - _____ - _____

4. Spouse's Name _____

5. Spouse's Date of Birth _____ - _____ - _____

6. My spouse and I want to repay our Direct Loans jointly under the ICR Plan.

If you complete this section, your spouse must also sign this form. By signing, your spouse is authorizing your loan holder to access information about his or her federal student loans in the National Student Loan Data System (NSLDS). If your spouse has FFEL Program loans that are not held by your loan holder, your spouse may need to give your loan holder access to his or her loan information in NSLDS (nsls.ed.gov). For more information, contact your loan holder.

SECTION 4: FAMILY SIZE AND FEDERAL TAX INFORMATION

7. _____ Enter your family size (see Section 9; if you leave this blank, your loan holder will use a family size of one).

8. Did you file a federal income tax return in either of the two most recently completed tax years?

Yes - Continue to Item 9.

No - Skip to Section 5.

9. Is your current income or your spouse's current income (if you completed Section 3 or if you file a joint federal income tax return) significantly different than the income reported on your most recent federal income tax return?

Yes - Continue to Section 5.

No - Provide your most recent federal income tax return or transcript. Skip to Section 6.

SECTION 5: ALTERNATIVE DOCUMENTATION OF INCOME

Complete this section if you **(1)** answered "No" to Question 8, **(2)** answered "Yes" to Question 9, or **(3)** if your loan holder requires you to provide alternative documentation of income.

10. Do you currently have taxable income? Check "No" if you do not have any income or receive only untaxed income.

Yes - Provide documentation of this income, as described below.

No - By signing this form, you are certifying that you do not have any taxable income.

11. If you completed Section 3 or file a joint federal income tax return with your spouse, does your spouse currently have taxable income? Check "No" if your spouse does not have any income or receives only untaxed income.

Yes - Provide documentation of your spouse's income, as described below.

No - By signing this form, your spouse is certifying that he or she does not have any taxable income.

If you answered "Yes" to Items 10 or 11, below are instructions on how to document your income:

You must provide documentation of all taxable income that you and your spouse (if applicable) currently receive (for example, income from employment, unemployment income, dividend income, interest income, tips, alimony). **Do not report untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.**

You must provide **one piece** of documentation for each source of taxable income. Documentation may include a pay stub, a letter from your employer listing pay, bank statements, or dividend statements. If documentation is unavailable, attach a signed statement explaining the income source(s) and giving the name and the address of the income source(s).

Unless the frequency is clearly indicated on the documentation that you provide, write on your documentation how often you receive the income, for example, "twice per month" or "every other week". The date on any supporting documentation you provide must be no older than 90 days from the date you sign this form. Copies of original documentation are acceptable.

SECTION 6: BORROWER REQUEST UNDERSTANDINGS, AUTHORIZATION, AND CERTIFICATION

- **I request** to use the plan I selected in Section 2 to repay my eligible Direct Loan or FFEL Program loans held by the holder to which I submit this form. If I selected the option to allow my loan holder to choose my plan or I do not qualify for the plan(s) I requested, I request my loan holder place me in the plan with the lowest monthly payment amount. If I selected more than one plan, I request my loan holder place me in the plans with the lowest monthly payment amount from the plans that I requested. If more than one plan provides the same initial payment amount, I understand that my loan holder will choose the plan that is likely to keep my monthly payment amount lower in subsequent years or provides terms and conditions that better limit the total cost of my loans.
- **I understand** that:
 - (1) If I am entering repayment on my loan for the first time and do not provide my loan holder with this completed form and any other documentation required by my loan holder, or if I do not qualify for the repayment plan that I requested, I will be placed on the standard repayment plan (see Section 9).
 - (2) If I am currently repaying my loan under a different repayment plan and want to change to the repayment plan I selected in Section 2, my loan holder may grant me a forbearance for up to 60 days to collect and process documentation supporting my request for the selected plan. I am not required to make loan payments during this period of forbearance, but interest will continue to accrue. Unpaid interest that accrues during this forbearance period will not be capitalized (see Section 9).
 - (3) If I am in a deferment or forbearance at the time I request one of the repayment plans listed in Section 2, my loan holder may end the deferment or forbearance early to process my new repayment plan request.
 - (4) If I am delinquent in making payments under my current repayment plan at the time I request one of the repayment plans listed in Section 2, my loan holder may grant me a forbearance to cover any payments that are overdue, or that would be due, at the time my request is processed. Unpaid interest that accrues during this forbearance period may be capitalized.
 - (5) If I am requesting the ICR plan, my initial payment amount will be the amount of interest that accrues each month on my loan until my loan holder receives the income documentation needed to calculate my ICR payment amount. If I cannot afford the initial interest payments, I may request forbearance by contacting my loan holder.
- **I authorize** the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at the number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.
- **I certify** that all of the information I have provided on this form and in any accompanying documentation is true, complete, and correct to the best of my knowledge and belief.

Borrower Signature _____ **Date** _____

Spouse's Signature (if required) _____ **Date** _____

Note: Your spouse's signature is required if you completed Section 3 and/or completed Item 11.

SECTION 7: WHERE TO SEND THE COMPLETED REQUEST

Return the completed form and any required documentation to:

(If no address is shown, return to your loan servicer.)

If you need help completing this form, call:

(If no telephone number is shown, call your loan servicer.)

SECTION 8: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: January 31, 2014 = 01-31-2014. Include your name and account number on any documentation that you are required to submit with this form. If you need help completing this form, contact your loan holder. If you want to apply for a repayment plan on loans that are held by different loan holders, you must submit a separate request to each loan holder.

Return the completed form and any required documentation to the address shown in Section 7.

SECTION 9: DEFINITIONS

- The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans, and Direct Consolidation Loans.
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).
- The **Income-Based Repayment (IBR) plan** is a repayment plan with monthly payments that are limited to 15% (10% if you are a new borrower) of your discretionary income, divided by 12.
 - **Discretionary income** for this plan is the amount by which your adjusted gross income exceeds 150% of the poverty guideline amount for your state of residence and family size. To initially qualify for IBR and to continue making income-based payments under this plan, you must have a partial financial hardship (see definition).
 - **Eligible loans for the IBR plan** are Direct Loan and FFEL Program loans other than: **(1)** a loan that is in default, **(2)** a Direct or Federal PLUS Loan made to a parent borrower, or **(3)** a Direct or Federal Consolidation Loan that repaid a Direct or Federal PLUS Loan made to a parent borrower. Federal Perkins Loans, HEAL loans or other health education loans, and private education loans are not eligible to be repaid under the IBR plan.
 - You are a **new borrower for the IBR plan** if **(1)** you have no outstanding balance on a Direct Loan or FFEL Program loan as of July 1, 2014 or have no outstanding balance on a Direct Loan or FFEL Program loan when you obtain a new loan on or after July 1, 2014.
- The **Pay As You Earn plan** is a repayment plan with monthly payments that are limited to 10% of your discretionary income, divided by 12.
 - **Discretionary income** for this plan is the amount by which your adjusted gross income exceeds 150% of the poverty guideline amount for your state of residence and family size. To initially qualify for the Pay As You Earn plan and to continue to make income-based payments under this plan, you must have a partial financial hardship (see definition) and be a new borrower (see definition).
 - **Eligible loans for the Pay As You Earn plan** are Direct Loan Program loans received by a new borrower other than: **(1)** a loan that is in default, **(2)** a Direct PLUS Loan made to a parent borrower, or **(3)** a Direct Consolidation Loan that repaid a Direct or Federal PLUS Loan made to a parent borrower. FFEL Program Loans, Federal Perkins Loans, HEAL loans or other health education loans, and private education loans are not eligible to be repaid under the Pay As You Earn plan.
 - You are a **new borrower for the Pay As You Earn plan** if: **(1)** you have no outstanding balance on a Direct Loan or FFEL Program loan as of October 1, 2007 or have no outstanding balance on a Direct Loan or FFEL Program loan when you obtain a new loan on or after October 1, 2007, and **(2)** you receive a disbursement of a Direct Subsidized Loan, Direct Unsubsidized Loan, or a Direct PLUS Loan made to a student borrower on or after October 1, 2011, or you receive a Direct Consolidation Loan based on an application received on or after October 1, 2011. However, you are not considered a new borrower if the Direct Consolidation Loan you receive repays loans that would make you ineligible under part **(1)** of this definition.
- The **Income-Contingent Repayment (ICR) plan** is a repayment plan with monthly payments that are the lesser of **(1)** what you would pay on a 12-year standard repayment plan multiplied by an income percentage factor or **(2)** 20% of your discretionary income divided by 12.

- **Discretionary income** for this plan is the amount by which your adjusted gross income exceeds the poverty guideline amount for your state of residence and family size.
- **Eligible loans for the ICR plan** are Direct Loan Program loans other than: **(1)** a loan that is in default, **(2)** a Direct PLUS Loan made to a parent borrower, or **(3)** a Direct PLUS Consolidation Loan (these are Direct Consolidation Loans made based on an application received prior to July 1, 2006 that repaid Direct or Federal PLUS Loans made to a parent borrower). FFEL Program Loans, Federal Perkins Loans, HEAL loans or other health education loans, and private education loans are not eligible to be repaid under the ICR plan. A Direct Consolidation Loan made based on an application received on or after July 1, 2006 that repaid a Direct or Federal PLUS Loan made to a parent borrower, is eligible for the ICR plan.
- A **partial financial hardship** is an eligibility requirement for the IBR and Pay As You Earn plans.
 - You have a partial financial hardship when the annual amount due on all of your eligible loans or, if you are married and file a joint federal income tax return, the annual amount due on all of your eligible loans and your spouse's eligible loans, exceeds 10% (for the Pay As You Earn plan and for new borrowers under the IBR plan) or 15% of the amount by which your adjusted gross income (AGI) exceeds 150% of the annual poverty guideline amount for your family size and state of residence.
 - For both the IBR and Pay As You Earn plans, the annual amount of payments due is calculated based on the greater of **(1)** the total amount owed on eligible loans at the time those loans initially entered repayment, or **(2)** the total amount owed on eligible loans at the time you initially request the IBR or Pay As You Earn plan. The annual amount of payments due is calculated using a standard repayment plan with a 10-year repayment period, regardless of loan type.
- If you are married and file a joint federal income tax return, your AGI includes your spouse's income. The **poverty guideline amount** is the figure for your state and family size from the poverty guidelines published annually by the U.S. Department of Health and Human Services (HHS). The HHS poverty guidelines are used for purposes such as determining eligibility for certain federal benefit programs. If you are not a resident of a state identified in the poverty guidelines, your poverty guideline amount is the amount used for the 48 contiguous states.
- **Family size** includes you, your spouse, and your children (including unborn children who will be born during the year for which you certify your family size), if the children will receive more than half their support from you. It includes other people only if they live with you now, they receive more than half their support from you now, and they will continue to receive this support from you for the year that you certify your family size. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, and payment of college costs. For the purposes of these repayment plans, your family size may be different from the number of exemptions you claim on your federal income tax return.
- **Capitalization** is the addition of unpaid interest to the principal balance of your loan. This will increase the principal balance and the total cost of your loan.
- The **holder** of your Direct Loans is the U.S. Department of Education (the Department). The holder(s) of your FFEL Program loan(s) may be a lender, secondary market, guaranty agency, or the Department. Your loan holder(s) may use a servicer to handle billing, payment, repayment options, and other communications on your loans. References to "your loan holder" on this form mean either your loan holder(s) or your servicer.
- The **standard repayment plan** has a fixed monthly payment amount over a repayment period of up to 10 years for loans other than Direct or Federal Consolidation Loans, or up to 30 years for Direct and Federal Consolidation Loans.

SECTION 10: ELIGIBILITY REQUIREMENTS

INFORMATION ABOUT THE IBR AND PAY AS YOU EARN PLANS:

- To initially qualify to repay your loan under the IBR or Pay As You Earn plan and to continue to qualify to make payments based on your income, you must have a partial financial hardship (as defined in Section 9). If you are married and file a joint federal income tax return, your loan holder will also take your spouse's income and eligible loans into account when determining whether you have a partial financial hardship.
- For the Pay As You Earn plan, you must be a **new borrower** as defined in Section 9.
- Although the Pay As You Earn plan is available only for Direct Loan Program loans, the Department will take any FFEL Program loans that you have into account when determining whether you have a partial financial hardship except for: **(1)** a FFEL Program loan that is in default, **(2)** a Federal PLUS Loan made to a parent borrower, or **(3)** a Federal Consolidation Loan that repaid a Federal or Direct PLUS Loan made to a parent borrower.
- After entry into the IBR or Pay As You Earn plan, you must annually certify your family size and provide income documentation for determination of whether you continue to have a partial financial hardship. Your loan holder will notify you of the deadline by which you must provide this documentation. Your monthly payment amount may be adjusted annually. The new payment amount may be higher or lower, depending on the income documentation and family size information you provide each year.
- If you do not provide updated income documentation annually, within 10 days of the deadline provided by your loan holder, after requested to do so by your loan holder, your payment amount will be the 10-year standard payment amount calculated at the time that you initially entered the IBR or Pay As You Earn plan and any outstanding interest will be capitalized (added to your principal balance).
- You will never pay more per month under the IBR or Pay As You Earn plan than you would on the 10-year standard repayment plan, based upon the amount owed on your eligible loans at the time you initially entered the IBR or Pay As You Earn plan.
- Under the IBR or Pay As You Earn plan, your monthly payment may be less than the monthly accruing interest. On subsidized loans, you are not required to pay any monthly accrued interest that exceeds your monthly payment amount for a maximum of three consecutive years from the date that you start repaying your loans under the IBR or Pay As You Earn plan. The three-year consecutive period limit does not include any period during which you receive an economic hardship deferment. On unsubsidized loans, all accruing interest is your responsibility.
- If you are determined to no longer have a partial financial hardship or you leave the IBR or Pay As You Earn plan, any unpaid interest will be capitalized (added to your principal balance). However, if you are in the Pay As You Earn plan and are determined to no longer have a partial financial hardship, the amount that is capitalized is limited to 10% of the outstanding principal balance on your loans at the time that you entered the Pay As You Earn plan.
- If you leave the IBR plan, you will be placed on the standard repayment plan and your monthly payment amount will be calculated based on the outstanding balance of your eligible loans at the time you leave the IBR plan and the repayment period remaining for your loans. If you wish to repay your loans under a different repayment plan, you must first make one payment under the standard repayment plan or make a reduced payment under a forbearance agreement with your loan holder while you are on the standard repayment plan.
- If you leave the Pay As You Earn Plan, you may change to any other repayment plan for which you qualify.
- Under the IBR and Pay As You Earn plans, if your loan is not repaid in full after you have made the equivalent of 20 years (for the Pay As You Earn plan and for new borrowers under the IBR plan) or 25 years (for all other borrowers under the IBR plan) of qualifying monthly payments and that many years have elapsed, any remaining debt will be forgiven. If you receive an economic hardship deferment, any months of economic hardship deferment are considered the equivalent of qualifying payments. Months for which you receive any other type of deferment or months of forbearance are not counted as qualifying payments, and do not count toward the 20- or 25-year forgiveness period. Any amount forgiven under the IBR plan or Pay As You Earn plan may be considered income by the Internal Revenue Service and subject to federal income tax.

SECTION 10: ELIGIBILITY REQUIREMENTS (CONTINUED)

INFORMATION ABOUT THE ICR PLAN:

- All Direct Loan borrowers are eligible to repay their eligible loans on the ICR plan. You are not required to have a partial financial hardship to use the ICR plan. To repay eligible loans under the ICR plan, you must submit documentation of your income. If you are married and file a joint federal tax return, the Department will also take your spouse's income into account when calculating your monthly payment amount.
- If you are married, you and your spouse may choose to repay your loans jointly under the ICR plan. If you choose to repay jointly, the Department will use your combined income and Direct Loan debt to calculate a joint ICR payment amount, and will then prorate the joint payment amount to determine separate ICR monthly payment amounts for you and your spouse that are proportionate to each individual's share of the combined Direct Loan debt. You and your spouse may select this option under the ICR plan regardless of your federal tax return filing status.
- After entry into the ICR plan, you must annually certify your family size and provide income documentation so that the Department can adjust your payment amount to reflect more recent income information. Your new payment amount may be higher or lower, depending on the income documentation and family size information you provide each year. The Department will notify you when you must provide this documentation.
- If you do not provide updated income documentation annually by the deadline provided by the Department, your payment amount will be calculated based on a 10-year standard repayment plan using the loan balance at the time you entered repayment under the ICR repayment plan.
- Under the ICR plan, your monthly payment may be less than the monthly accruing interest. The accruing interest that is not satisfied by your monthly payment will be capitalized annually. You will receive a notice telling you when the interest will be capitalized, and you will have the opportunity to pay that interest before it is capitalized. While you remain in ICR, the amount of interest that is capitalized will be limited to 10% of the outstanding principal balance on your loans at the time that you entered repayment.
- Under the ICR plan, if your loan is not repaid in full after you have made the equivalent of 25 years of qualifying

monthly payments and at least 25 years have elapsed, any remaining debt will be forgiven. If you receive an economic hardship deferment, any months of economic hardship deferment are considered the equivalent of qualifying payments. Months for which you receive any other type of deferment or months of forbearance are not counted as qualifying payments, and do not count toward the 25-year forgiveness period. Any amount forgiven under the ICR plan may be considered income by the Internal Revenue Service and subject to federal income tax.

IMPORTANT INFORMATION ABOUT ALTERNATIVE DOCUMENTATION OF INCOME:

- **YOU ARE REQUIRED** to provide alternative documentation of your income if:
 - You did not file a federal tax return for either of the two most recently completed tax years; or
 - You have been notified by your loan holder(s) that alternative documentation of your income is required.
- **YOU MAY** provide alternative documentation of your income if your Adjusted Gross Income (AGI), as reported on your most recently filed federal tax return, *does not reasonably reflect your current income*, for example, because of a loss of or change in employment by you or your spouse.
- **YOU ARE NOT REQUIRED** to provide alternative documentation of your income if you can provide a copy of your most recently filed federal tax return or an IRS tax return transcript from either of the two most recently completed tax years; and that documentation *reasonably reflects* your current income.

IMPORTANT INFORMATION ABOUT PUBLIC SERVICE LOAN FORGIVENESS (PSLF):

- The Public Service Loan Forgiveness Program allows eligible borrowers to cancel the remaining balance of their Direct Loans after they have served full time at a qualifying employer for at least 10 years, while making 120 qualifying loan payments, including payments under the IBR, Pay As You Earn, and ICR plan.
- Qualifying employers include governmental organizations and many not-for-profit organizations.
- For more information about PSLF, see [StudentAid.gov/PublicService](https://studentaid.gov/PublicService).

SECTION 11: SAMPLE PAYMENT AMOUNTS

Below are two tables that provide examples of monthly and total payment amounts under the Standard, Graduated, and Extended repayment plans. These figures are estimates, and use an interest rate of 8.25%. Various factors, including your actual interest rate and the amount of your loan debt, may cause your payment amount to differ from the payment amounts shown in these tables. Your loan holder will provide you with the actual monthly payment amount after you select a repayment plan.

Table 1. Sample Payment Amounts Under the Standard, Graduated, Extended-Fixed, and Extended-Graduated Plans for Direct and FFEL Subsidized, Unsubsidized, and PLUS Loans

Debt	Standard (10 years)		Graduated (10 years)			Extended-Fixed (25 years)		Extended-Graduated (25 years)		
	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$20,000	\$245	\$29,437	\$144	\$431	\$32,177	Not Eligible	-	Not Eligible	-	-
\$30,000	\$368	\$44,155	\$216	\$647	\$48,265	Not Eligible	-	Not Eligible	-	-
\$40,000	\$491	\$58,873	\$287	\$862	\$64,353	\$315	\$94,614	\$275	\$417	\$101,515
\$50,000	\$613	\$73,592	\$359	\$1,078	\$80,442	\$394	\$118,268	\$344	\$521	\$126,899
\$60,000	\$736	\$88,310	\$431	\$1,294	\$96,530	\$473	\$141,921	\$413	\$625	\$152,280
\$70,000	\$859	\$103,028	\$503	\$1,509	\$112,618	\$552	\$165,575	\$481	\$730	\$177,664
\$80,000	\$981	\$117,747	\$575	\$1,725	\$128,706	\$631	\$189,228	\$550	\$834	\$203,046
\$90,000	\$1,104	\$132,465	\$647	\$1,940	\$144,795	\$710	\$212,882	\$619	\$938	\$228,427

Table 2. Sample Payment Amounts Under the Standard, Graduated, Extended-Fixed, and Extended-Graduated Plans for Direct and FFEL Consolidation Loans

Debt	Standard (10-30 years)			Graduated (10-30 years)				Extended-Fixed (25 yrs.)		Extended-Graduated (25 years)		
	Maximum Repayment Period	Payment	Total Paid	Maximum Repayment Period	Minimum Payment	Maximum Payment	Total Paid	Payment	Total Paid	Minimum Payment	Maximum Payment	Total Paid
\$20,000	20 years	\$170	\$40,899	20 years	\$138	\$241	\$44,420	Not Eligible	-	Not Eligible	-	-
\$30,000	20 years	\$256	\$61,349	20 years	\$206	\$362	\$66,631	Not Eligible	-	Not Eligible	-	-
\$40,000	25 years	\$315	\$94,614	25 years	\$275	\$417	\$101,515	\$315	\$94,614	\$275	\$417	\$101,515
\$50,000	25 years	\$394	\$118,268	25 years	\$344	\$521	\$126,899	\$394	\$118,268	\$344	\$521	\$126,899
\$60,000	30 years	\$451	\$162,274	30 years	\$413	\$549	\$166,145	\$473	\$141,921	\$413	\$625	\$152,280
\$70,000	30 years	\$526	\$189,319	30 years	\$481	\$640	\$193,841	\$552	\$165,575	\$481	\$730	\$177,664
\$80,000	30 years	\$601	\$216,365	30 years	\$550	\$732	\$221,531	\$631	\$189,228	\$550	\$834	\$203,046
\$90,000	30 years	\$676	\$243,410	30 years	\$619	\$823	\$249,228	\$710	\$212,882	\$619	\$938	\$228,427

SECTION 11: SAMPLE PAYMENT AMOUNTS (CONTINUED)

Below are three tables that provide examples of monthly and total payment amounts under the IBR, Pay As You Earn, and ICR Plans. These figures are estimates, and use an interest rate of 8.25%. The figures also assume that you are single, do not have anyone else in your household, and that you live in one of the 48 contiguous states. Various factors, including your actual interest rate, the amount of your loan debt, your income, and whether and how quickly your income rises (these figures assume income increases 5% per year), may cause your payment amount to differ from the payment amounts shown in these tables. These figures use the 2013 Poverty Guidelines (published by the U.S. Department of Health and Human Services) and Income Percentage Factors.

Table 3. Sample Payment Amounts for the Income-Based Repayment (IBR) Plan for Those Who Are Not New Borrowers On/After July 1, 2014

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$97	\$245	\$43,561	219	Not Eligible	-	-	-	Not Eligible	-	-	-
\$40,000	\$97	\$491	\$89,268	300	\$285	\$491	\$72,680	173	Not Eligible	-	-	-
\$60,000	\$97	\$642	\$97,175	300	\$285	\$736	\$148,999	268	\$535	\$736	\$97,093	143
\$80,000	\$97	\$642	\$94,175	300	\$285	\$981	\$193,464	300	\$535	\$981	\$156,150	193
\$100,000	\$97	\$642	\$94,175	300	\$285	\$1,227	\$201,322	300	\$535	\$1,227	\$236,102	251

Table 4. Sample Payment Amounts for the Pay As You Earn Plan for Eligible Borrowers & IBR Plan for Those Who Are New Borrowers On/After July 1, 2014

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$65	\$245	\$38,488	240	\$190	\$245	\$31,254	134	Not Eligible	-	-	-
\$40,000	\$65	\$309	\$40,127	240	\$190	\$491	\$85,707	240	\$356	\$491	\$64,729	143
\$60,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$736	\$129,366	222
\$80,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$981	\$154,976	240
\$100,000	\$65	\$309	\$40,127	240	\$190	\$625	\$89,727	240	\$356	\$1,046	\$155,860	240

Table 5. Sample Payment Amounts for the Income-Contingent Repayment (ICR) Plan

Debt	Starting income of \$25,000				Starting income of \$40,000				Starting income of \$60,000			
	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)	Initial Payment	Final Payment	Total Paid	Time to Repay (Mos.)
\$20,000	\$151	\$199	\$43,436	249	\$193	\$219	\$33,513	161	\$219	\$251	\$30,761	131
\$40,000	\$225	\$423	\$96,630	274	\$385	\$438	\$67,027	161	\$438	\$502	\$61,523	131
\$60,000	\$225	\$694	\$146,629	300	\$475	\$658	\$106,605	175	\$658	\$754	\$92,284	131
\$80,000	\$225	\$1,018	\$162,256	300	\$475	\$939	\$176,175	233	\$809	\$1,015	\$124,521	240
\$100,000	\$225	\$1,018	\$163,256	300	\$475	\$1,360	\$281,310	298	\$809	\$1,296	\$171,619	158

SECTION 12: 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 authorities for collecting the requested information from and about you are §421 et seq. and §451 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq. and 20 U.S.C. 1087a et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Family Education Loan (FFEL) Program or 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 FFEL and/or Direct Loan Programs, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) becomes delinquent or defaults. 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, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies 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 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, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to

guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

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 be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

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