

IN-SCHOOL DEFERMENT REQUEST

William D. Ford Federal Direct Loan (Direct Loan) Program / Federal Family Education Loan (FFEL) Program / Federal Perkins Loan (Perkins Loan) Program

OMB No. 1845-0011
Form " Q Q S P W F E
Exp. Date

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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 INFORMATION

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN _____

Name _____

Address _____

City _____ State _____ Zip Code _____

Telephone - Primary _____

Telephone - Alternate _____

Email (Optional) _____

SECTION 2: BORROWER DETERMINATION OF DEFERMENT ELIGIBILITY

Carefully read the entire form before completing it.

You are eligible for this deferment only if you are enrolled at least half time at an eligible school (see Section 6).

SECTION 3: BORROWER REQUESTS, UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATION

I request:

- € To defer repayment of my loans for the period during which I meet the eligibility criteria outlined in Section 2 and as certified by the authorized official in Section 4.
- € If checked, to make interest payments on my loans during my deferment.
- € If checked, to defer repayment on my PLUS Loan first disbursed on or after July 1, 2008 for the 6-month period after I graduate, withdraw, or am no longer enrolled on at least a half-time basis.

I understand that:

- € I am not required to make payments of loan principal or interest during my deferment.
- € My deferment will begin, as certified by the authorized official, on the date I became eligible for the deferment.
- € My deferment will end, as certified by the authorized official, on the date I no longer qualify for the deferment.
- € If I am a Perkins Loan borrower, I will receive a 6-month post-deferment grace period beginning on the date I no longer qualify for the deferment.
- € If I am a graduate or professional student borrower of a Direct or Federal PLUS Loan first disbursed after July 1, 2008, I will also receive a deferment on this loan during the 6-month period after I am no longer enrolled at least half time.
- € If I am a parent borrower of a Direct or Federal PLUS Loan first disbursed after July 1, 2008, and I request it above, I will receive another deferment on this loan during the 6-month period after I am no longer enrolled at least half time.
- € My loan holder may grant me a forbearance while processing my form or to cover any period of delinquency that exists when I submit my form.
- € Unpaid interest may capitalize on my loans during or at the expiration of my deferment or forbearance, but interest never capitalizes on Perkins Loans.

Borrower Name

_____	_____
_____	_____

SECTION 6: DEFINITIONS

The William D. Ford Federal Direct Loan (Direct Loan) Program includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans.

The Federal Family Education Loan (FFEL) Program includes Federal Stafford Loans, Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).

The Federal Perkins Loan (Perkins Loan) Program includes Federal Perkins Loans, National Direct Student Loans (NDSL), and National Defense Student Loans (Defense Loans).

An authorized official who may complete Section 4 is an official of the school where you are/were enrolled.

Capitalization is the addition of unpaid interest to the principal balance of your loan. Capitalization causes more interest to accrue over the life of your loan and may cause your monthly payment amount to increase. Interest never capitalizes on Perkins Loans. Table 1 (below) provides an example of the monthly payments and the total amount repaid for a \$30,000 unsubsidized loan. The example loan has a 6% interest rate and the example deferment or forbearance lasts for 12 months and begins when the loan entered repayment. The example compares the effects of paying the interest as it accrues or allowing it to capitalize.

A co-maker is one of the two individuals who are joint borrowers on a Direct or Federal Consolidation Loan or a Federal PLUS Loan. Both borrowers are equally responsible for repaying the full amount of the loan.

A deferment is a period during which you are entitled to postpone repayment of your loans. Interest is not generally charged to you during a deferment on your subsidized loans. Interest is always charged to you during a deferment on your unsubsidized loans. On loans made under the Perkins Loan Program, all deferments are followed by a post-deferment grace period of 6 months, during which time you are not required to make payments.

An eligible school is a school that has been approved by the Department to participate in the Department's Federal Student Aid programs, even if the school does not participate in those programs.

A forbearance is a period during which you are permitted to postpone making payments temporarily, allowed an extension of time for making payments, or temporarily allowed to make smaller payments than scheduled.

The holder of your Direct Loans is the Department. The holder of your FFEL Program loans may be a lender, guaranty agency, secondary market, or the Department. The holder of your Perkins Loans is an institution of higher education or the Department. Your loan holder may use a servicer to handle billing and other communications related to your loans. References to your loan holder on this form mean either your loan holder or your servicer.

A regular student is a person who is enrolled or accepted for enrollment at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by the institution.

A subsidized loan is a Direct Subsidized Loan, a Direct Subsidized Consolidation Loan, a Federal Subsidized Stafford Loan, portions of some Federal Consolidation Loans, a Federal Perkins Loan, an NDSL, and a Defense Loan.

An unsubsidized loan is a Direct Unsubsidized Loan, a Direct Unsubsidized Consolidation Loan, a Direct PLUS Loan, Federal Unsubsidized Stafford Loan, a Federal PLUS Loan, a Federal SLS, and portions of some Federal Consolidation Loans.

Table 1. Capitalization Chart

Treatment of Interest with Deferment/Forbearance	Loan Amount	Capitalized Interest	Outstanding Principal	Monthly Payment	Number of Payments	Total Repaid
Interest is paid	\$30,000	\$0	\$30,000	\$333	120	\$41,767
Interest is capitalized at the end	\$30,000	\$1,800	\$31,800	\$353	120	\$42,365
Interest is capitalized quarterly and at the end	\$30,000	\$1,841	\$31,841	\$354	120	\$42,420

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