



HRD

ECONOMIC HARDSHIP 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 Approved
Exp. Date 9/30/2018

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. Complete Section 2 in its entirety. Maximum cumulative eligibility is 36 months per loan program. The federal student loan programs include the Direct Loan, FFEL, and Perkins Loan programs. For FFEL Program borrowers only, you are only eligible if all of your FFEL Program loans were first disbursed *on or after* July 1, 1993, or if you had no balance on a FFEL Program loan that was disbursed *before* July 1, 1993 when you received a loan *on or after* July 1, 1993. Instead of deferment, consider a repayment plan that determines your monthly payment amount based on your income. Visit StudentAid.gov/IDR for more information.

- Have you been granted an Economic Hardship Deferment on a loan made under another federal student loan program for the same period of time for which you are applying for this deferment?
For example, check "yes" if you are requesting deferment on your Direct Loans because you are on the deferment on your FFEL Program loans.
 Yes - Attach documentation of the deferment. Skip to Section 3.
 No - Continue to Item 2.
- Have you received or are you receiving payments under a federal or state public assistance program that supports the period of time for which you are applying for this deferment?
Qualifying programs include: Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP), state general public assistance, or other means-tested benefits.
 Yes - Attach documentation of the payments. Skip to Section 3.
 No - Continue to Item 3.
- Are you serving as a Peace Corps volunteer?
 Yes - Attach documentation certifying your period of service. Skip to Section 3.
 No - Continue to Item 4.
- Do you work full time (see Section 5)?
 Yes - Continue to Item 5.
 No - You are not eligible for this deferment.
- What is your monthly income? _____
You must attach documentation of your monthly income. Monthly income is either (you choose):
 - Your gross income from all sources or
 - One-twelfth of the Adjusted Gross Income from your most recent federal income tax return.
- What is your family size (see section 5)? _____
- Is the amount you reported in Item 5 less than 150% of the poverty guideline for your family size and state of residence (see Table 2 in Section 5)?
 Yes - Continue to Section 3.
 No - You are not eligible for this deferment.

Borrower Name _____

Borrower SSN _____

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

I request:

- To defer repayment of my loans for the period during which I have an economic hardship, as described in Section 2.
- That my deferment begin on: _____
- If indicated, to make interest payments on my loans during my deferment.

I understand that:

- I am not required to make payments of loan principal or interest during my deferment.
- My deferment will begin on the later of the date I became eligible or the date that I requested.
- My deferment will end on the earlier of the date that I exhaust my maximum eligibility, the certified deferment end date, or when I am no longer eligible for the deferment for another reason.
- 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.
- Unless I am a Peace Corps volunteer, my deferment will be granted in increments of 1 year. If I continue to be eligible for an Economic Hardship Deferment after 1 year, I may reapply, subject to the cumulative maximum.
- Interest may capitalize on my loans during or at the expiration of my deferment or forbearance, but interest never capitalizes on Perkins Loans.

I certify that:

- The information I have provided on this form is true and correct.
- I will provide additional documentation to my loan holder, as required, to support my deferment eligibility.
- I will notify my loan holder immediately when my eligibility for the deferment ends.
- I have read, understand, and meet the eligibility requirements in Section 2.

I authorize the entity to which I submit this request and its agents to contact me regarding my request or my loans at any cellular telephone number that I provide now or in the future using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower's Signature _____

Date _____

SECTION 4: INSTRUCTIONS FOR COMPLETING THE DEFERMENT REQUEST

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Example: March 14, 2015 = 03-14-2015. Include your name and account number on any documentation that you are required to submit with this form. If you want to apply for a deferment on loans that are held by different loan holders, you must submit a separate deferment request to each loan holder. **Return the completed form and any required documentation to the address shown in Section 6.**

SECTION 5: DEFINITIONS

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.

SECTION 5: DEFINITIONS (CONTINUED)

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.

Family size includes (1) you, (2) your spouse, (3) your children if they receive more than half of their support from you, including unborn children who will be born during the deferment period, and (4) other people if, at the time you request this deferment, they live with you, receive more than half their support from you, and will continue to receive this support from you for the deferment period. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, and payment of college costs.

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).

Full-time employment means working at least 30 hours per week in a position expected to last at least 3 consecutive months.

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

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

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.

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

Table 2. 150% of the Poverty Guidelines for 2018 (Monthly)

Family Size	Alaska	Hawaii	All Others
1	\$1,897.50	\$1,745.00	\$1,517.50
2	\$2,572.50	\$2,366.25	\$2,057.50
3	\$3,274.50	\$2,987.50	\$2,597.50
4	\$3,922.50	\$3,608.75	\$3,137.50
5	\$4,597.50	\$4,230.00	\$3,677.50
6	\$5,272.50	\$4,851.25	\$4,217.50
7	\$5,947.50	\$5,472.50	\$4,757.50
8	\$6,622.50	\$6,093.75	\$5,297.50
Each additional person, add	\$675.00	\$621.25	\$540.00

If you do not live in the United States, use the poverty guideline amount in the column labeled "All Others".

SECTION 6: WHERE TO SEND THE COMPLETED DEFERMENT REQUEST

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

Heartland ECSI
P.O. Box 1278
Wexford, PA 15090

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

<https://heartland.ecsi.net>
1-888-549-3274

SECTION 7: 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., §451 et seq., or §461 of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., or 20 U.S.C. 1087aa 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 William D. Ford Federal Direct Loan (Direct Loan) Program, Federal Family Education Loan (FFEL) Program, or Federal Perkins Loan (Perkins 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, FFEL, or Federal Perkins Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans become delinquent or 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 loans, to enforce the terms of the loans, 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.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0011. Public reporting burden for this collection of information is estimated to average 10 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 674.34, 674.35, 674.36, 674.37, 682.210, or 685.204. If you have comments or concerns regarding the status of your individual submission of this form, please contact your loan holder directly (see Section 6).