



ECONOMIC HARDSHIP DEFERMENT REQUEST

Federal Family Education Loan Program

OMB No. 1845-0005
Form Approved
Exp. Date 01/31/2009

HRD

Use this form only if all of your outstanding Federal Family Education Loan (FFEL) Program loans were made on or after July 1, 1993, and when your first FFEL Program loan was made on or after July 1, 1993, you had no outstanding FFEL Program loans that were made before July 1, 1993.

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents shall be subject to penalties which 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.

SSN [] [] [] - [] [] - [] [] [] [] []

Name _____

Address _____

City, State, Zip _____

Telephone - Home () _____

Telephone - Other () _____

E-mail Address (Optional) _____

SECTION 2: DEFERMENT REQUEST

Before answering any questions, carefully read the entire form, including the instructions and other information in Sections 4, 5, and 6.

I meet the qualifications stated in Section 6 for the Economic Hardship Deferment checked below and request that my loan holder defer repayment of my loan(s) beginning [] [] [] - [] [] [] - [] [] [] [] []. To qualify, I must meet **one** of the conditions listed below and must provide the required documentation, as described in Section 6, for only that condition. **(You must provide this date regardless of which condition you check below.)**

Check one:

(1) I have been granted an economic hardship deferment under the William D. Ford Federal Direct Loan (Direct Loan) Program or the Federal Perkins Loan Program for the same period of time for which I am requesting this deferment. **I have attached documentation of the deferment.**

(2) I am receiving or received payments under a federal or state public assistance program, such as Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Food Stamps, or state general public assistance. **I have attached documentation of these payments.**

(3) I am serving as a Peace Corps volunteer. **I have attached documentation certifying my period of service in the Peace Corps.**

(4) I work full-time and my monthly income, as defined in Section 5, does not exceed the **larger of** (A) the Federal Minimum Wage Rate or (B) the Poverty Line income for a family of two for my state (regardless of my actual family size), as listed below. **I have attached documentation of this income.**

My monthly income is \$ _____.

(A) Federal Minimum Wage Rate (monthly amount, based on \$5.15 an hour): **\$892.66**

(B) Poverty Lines for a Family of Two (monthly amounts): **\$1,100.00** (48 contiguous states and the District of Columbia) **\$1,375.00** (Alaska) **\$1,265.00** (Hawaii)

(5) I do **not** work full-time **and** my monthly income, as defined in Section 5, does not exceed the **larger of** (A) **two times** the Federal Minimum Wage Rate, or (B) **two times** the Poverty Line income for a family of two for my state (regardless of my actual family size), as listed above under condition (4). In addition, after deducting the total monthly payments that I am making on all of my federal education debts from my monthly income, the amount remaining does not exceed the **larger of** (A) the Federal Minimum Wage Rate or (B) the Poverty Line income for a family of two for my state, as listed above under condition (4). If my repayment period is more than 10 years, my total monthly federal education debt payments will be adjusted to reflect a 10-year repayment period. If my repayment period is 10 years or less, my holder will use my actual scheduled monthly payment amount. **I have attached documentation of my monthly income and my federal education loan debt.**

NOTE: A worksheet to help you determine whether you meet this condition is available from your loan holder. Completion of the worksheet is optional. Your loan holder will determine whether you qualify based on the income and education debt information that you provide below.

My monthly income is \$ _____.

For all of my federal education loans now in repayment (including loans for which I am requesting this deferment) I owe the following amounts:

• For all of my loans that have a repayment period of 10 years or less, the total amount that I pay each month is \$ _____.

• For all of my loans that have a repayment period of more than 10 years, the total amount I owed when the loans entered repayment is \$ _____.

(6) I work full-time, and the total amount of my monthly payments on all of my federal education loans in repayment is equal to or larger than 20% of my monthly income, as defined in Section 5. In addition, after deducting the total amount of my monthly payments on my federal education loans in repayment from my monthly income, the amount remaining is less than 220% of the **larger of** (A) the Federal Minimum Wage rate, or (B) the Poverty Line income for a family of two for my state (regardless of my actual family size), as listed above under condition (4). If my repayment period is more than 10 years, my total monthly federal education loan payments will be adjusted, to reflect a 10-year repayment period. If my repayment period is 10 years or less, my holder will use my actual scheduled monthly payment amount. **I have attached documentation of my monthly income and my federal education loan debt.**

NOTE: A worksheet to help you determine whether you meet this condition is available from your loan holder. Completion of the worksheet is optional. Your loan holder will determine whether you qualify based on the income and education debt information that you provide below.

My monthly income is \$ _____.

For all of my federal education loans now in repayment (including loans for which I am requesting this deferment) I owe the following amounts:

• For all of my loans that have a repayment period of 10 years or less, the total amount that I pay each month is \$ _____.

• For all of my loans that have a repayment period of more than 10 years, the total amount I owed when the loans entered repayment is \$ _____.

SECTION 3: BORROWER UNDERSTANDINGS AND CERTIFICATIONS

I understand that: (1) I am not required to make payments of loan principal during my deferment. Interest will not be charged on my subsidized loan(s) during my deferment. However, interest will be charged on my unsubsidized loan(s). (2) I have the option of making interest payments on my unsubsidized loan(s) during my deferment. (3) I may choose to make interest payments by checking the box below. My loan holder may capitalize interest that I do not pay during the deferment period.

I wish to make interest payments on my unsubsidized loan(s) during my deferment.

I certify that the information I provided in Sections 1 and 2 above is true and correct, and that I have read, understand, and meet the terms and conditions and eligibility criteria of the deferment for which I have applied, as explained in Section 6.

Borrower's Signature _____

Date _____

SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. Report dates as month-day-year (MM-DD-YYYY). For example, 'January 31, 2006' = '01-31-2006'. Include your name and social security number (SSN) on any documentation that you are required to submit with this form. If you need help completing this form, contact your loan holder.

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

SECTION 5: DEFINITIONS

- **Capitalization** is the addition of unpaid interest to the principal balance of my loan. This will increase the principal and the total cost of my loan.
- A **deferment** is a period during which I am entitled to postpone repayment of the principal balance of my loan(s). The federal government pays the interest that accrues during an eligible deferment for all subsidized Federal Stafford Loans and for Federal Consolidation Loans for which the Consolidation Loan application was received by my loan holder **(1)** on or after January 1, 1993, but before August 10, 1993, **(2)** on or after August 10, 1993, if it includes **only** Federal Stafford Loans that were eligible for federal interest subsidy, or **(3)** on or after November 13, 1997, for that portion of the consolidation loan that paid a subsidized FFEL Program Loan or a subsidized Federal Direct Loan. I am responsible for the interest that accrues during this period on all other FFEL Program loans.
- Eligible **federal education loans** that may be included in determining the total amount I owed for deferment conditions (5) and (6) in Section 2 are listed below. I may include defaulted loans only if I have made repayment arrangements satisfactory to the holder of those loans.
 - All Federal Family Education Loan (FFEL) Program loans (see definition)
 - All William D. Ford Federal Direct Loan Program loans (see definition)
 - All Federal Perkins Loan Program loans (see definition)
 - Health Education Assistance Loans (HEAL)
 - Health Professions Student Loans (HPSL)
 - Loans for Disadvantaged Students (LDS)
 - Primary Care Loans (PCL)
 - Nursing Student Loans (NSL)
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, Federal Consolidation Loans, Guaranteed Student Loans (GSL), Federal Insured Student Loans (FISL), and Auxiliary Loans to Assist Students (ALAS).
- The **Federal Perkins Loan (Perkins Loan) Program** includes Federal Perkins Loans, National Direct Student Loans (NDSL), and National Defense Student Loans (Defense Loan).
- **Forbearance** means permitting the temporary cessation of payments, allowing an extension of time for making payments, or temporarily accepting smaller payments than previously scheduled. I am responsible for the interest that accrues on my loan(s) during a forbearance. If I do not pay the interest that accrues, the interest may be capitalized.
- **Full-time** employment is defined as working at least 30 hours per week in a position expected to last at least three consecutive months.
- The **holder** of my FFEL Program loan(s) may be a lender, guaranty agency, secondary market, or the U.S. Department of Education.
- **Monthly income is either:**
 - (1) the amount of my monthly income from employment and other sources before taxes and other deductions, **or**
 - (2) one-twelfth of the amount of my income reported as "adjusted gross income" on my most recently filed Federal Income Tax Return.I may choose either of these income amounts for the purpose of reporting my monthly income on this deferment request.
- **The repayment period** (for deferment conditions (5) and (6) in Section 2) refers to the total number of years that my current repayment plan allows me to repay my loan, including the years that my loan has already been in repayment. For any loan that my current repayment plan requires me to repay in a total of 10 years or less, my actual monthly payment amount will be used in determining whether I am eligible for a deferment. For any loan that my current repayment plan allows me a total of more than 10 years to repay, my payment amount will be adjusted to show the estimated monthly amount that I would owe if I were required to repay the loan in fixed installments within a 10-year repayment period.
- The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans. These loans are known collectively as "Direct Loans."

SECTION 6: ELIGIBILITY CRITERIA / TERMS AND CONDITIONS FOR ECONOMIC HARDSHIP DEFERMENT

- If I had no outstanding balance on a FFEL Program loan as of the date I obtained a loan **on or after July 1, 1993**, I may defer repayment of my loan(s) during the period that I meet one of the economic hardship deferment conditions described in Section 2.
- If my economic hardship deferment eligibility is based on condition (1), as described in Section 2, I must provide my loan holder with documentation of the deferment that has been granted under the Direct Loan Program or the Federal Perkins Loan Program (for example, correspondence from my loan holder showing that I have been granted a deferment).
- If my economic hardship deferment eligibility is based on condition (2), as described in Section 2, I must provide my loan holder with documentation confirming that I am receiving or received payments under a federal or state public assistance program.
- If my economic hardship deferment eligibility is based on condition (3), as described in Section 2, I must provide my loan holder with documentation which certifies the beginning and anticipated ending dates of my service in the Peace Corps and which is signed and dated by an authorized Peace Corps official.
- If my economic hardship deferment eligibility is based on conditions (4), (5) or (6), as described in Section 2, I must provide my loan holder with documentation of my monthly income as defined in Section 5. If I am reporting monthly income from employment and other sources, I must provide documentation such as pay stubs. If I am reporting one-twelfth of my adjusted gross income, I must provide a copy of my most recently filed Federal Income Tax Return.
- If my economic hardship deferment eligibility is based on condition (5) or condition (6), as described in Section 2, I must provide my loan holder with documentation of the total amount I owed for all federal education loans that are now in repayment, such as disclosure statements or current repayment schedules. This must include the monthly payment amount, beginning loan balance, and repayment terms. If my total federal education loan debt includes defaulted loans, I must provide documentation that I have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.
- If my economic hardship deferment eligibility is based on conditions (4), (5), or (6), as described in Section 2, and I am not currently residing in the United States, I will use the Poverty Line amounts for my last state of residence in the United States.
- I will provide additional documentation to my loan holder, as required, to support my deferment status.

Section 6 continued on Page 3

SECTION 6 (Continued)

- I will notify my loan holder immediately when the condition that qualified me for the deferment ends.
- My deferment will begin on the date the deferment condition began.
- My deferment will end on the earlier of the date that the condition that establishes my deferment eligibility ends or the certified deferment end date.
- My maximum cumulative eligibility for an economic hardship deferment is 36 months. Except for a deferment based on condition (3), as described in Section 2, I must reapply every 12 months if I continue to meet the criteria for an economic hardship deferment.
- If my deferment does not cover all my past due payments, my loan holder may grant me a forbearance for all payments due before the begin date of my deferment. If the period for which I am eligible for a deferment has ended, my loan holder may grant me a forbearance for all payments due at the time my deferment request is processed.
- My loan holder may grant me a forbearance on my loans for up to 60 days, if necessary, for the collection and processing of documentation related to my deferment request. Interest that accrues during this forbearance will not be capitalized.

SECTION 7: WHERE TO SEND THE COMPLETED DEFERMENT REQUEST

**RETURN THE COMPLETED DEFERMENT REQUEST AND ANY REQUIRED DOCUMENTATION TO:
(IF NO ADDRESS IS SHOWN, RETURN TO YOUR LOAN HOLDER)**

SECTION 8: IMPORTANT NOTICES

Privacy Act Notice

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

The authority for collecting the requested information from and about you is §428(b)(2)(A) *et seq.* of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1078(b)(2)(A) *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 Federal Family Education Loan (FFEL) 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, 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 efficiently to 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.

Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0005. The time required to complete this information collection is estimated to average 0.16 hours (10 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. ***If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:***

U.S. Department of Education, Washington, DC 20202-4651

If you have any comments or concerns regarding the status of your individual submission of this form, write directly to the address shown in Section 7.

ECONOMIC HARDSHIP DEFERMENT WORKSHEET A

Use this worksheet to determine if you are eligible for an economic hardship deferment based on condition (5) in Section 2 of the Economic Hardship Deferment Request form. Completion of this worksheet is optional—if you check condition (5), your loan holder will determine your eligibility based on the income and federal education debt documentation that you provide.

DO NOT RETURN THIS WORKSHEET WITH THE DEFERMENT REQUEST—KEEP IT FOR YOUR RECORDS

STEP 1

Are you working full-time?

- Yes You do not qualify for an economic hardship deferment based on condition (5). Do not continue with this worksheet. Refer to Worksheet B.
 No Go to Step 2.

STEP 2

- (1) Line 1. Enter the amount listed below for your state: \$ _____
 (2) Line 2. \$ 1,785.32
 (3) Line 3. Enter the **larger** of Line 1 or Line 2: \$ _____
 (4) Line 4. Enter your **MONTHLY INCOME**: \$ _____

(see the definition of “Monthly income” in Section 5 of the Economic Hardship Deferment Request)

- (5) Is the amount on Line 4 **larger** than the amount on Line 3?
 Yes You do not qualify for an economic hardship deferment based on condition 5. Do not continue with this worksheet.
 No Go to Step 3.

Amounts for Line 1, above:

\$2,200.00 (if you live in any of the 48 contiguous states or the District of Columbia) \$2,750.00 (if you live in Alaska) \$2,530.00 (if you live in Hawaii).

NOTE: If you are not currently living in the United States, use the amount for your last state of residence in the United States.

STEP 3

LOANS WITH A REPAYMENT PERIOD OF 10 YEARS OR LESS (See definition of “repayment period” in Section 5 of the deferment request form.)

Determine the total scheduled monthly payment of all your loans that are now in repayment for a period of 10 years or less (including the loans for which you are now requesting deferment). You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Actual Scheduled Monthly Payment
Federal Stafford Loans (subsidized and unsubsidized)	\$ _____
Direct Subsidized and Direct Unsubsidized Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Direct Subsidized and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5	+ \$ _____
TOTAL ACTUAL MONTHLY PAYMENT:	= \$ _____

STEP 4

LOANS WITH A REPAYMENT PERIOD OF MORE THAN 10 YEARS (See definition of “repayment period” in Section 5 of the deferment request form.)

(A) Determine the total amount you owed when your loans entered repayment by adding together the amounts owed for the federal education loans listed below that are now in repayment for a period of more than 10 years (including the loans for which you are requesting deferment). You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Total Amount You Owed When Your Loans Entered Repayment
Federal Stafford Loans (subsidized and unsubsidized)	\$ _____
Direct Subsidized and Direct Unsubsidized Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Direct Subsidized and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5	+ \$ _____
TOTAL AMOUNT OWED:	= \$ _____

**ECONOMIC HARDSHIP DEFERMENT
WORKSHEET A (Continued)**

(B) Circle the current interest rate for your FFEL Program loan(s) in the chart below. If your exact interest rate is not listed, choose the next highest interest rate. If you have loans with different interest rates, circle the rate for the loan with the highest interest rate.

Interest Rate	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%	9.0%
Constant Multiplier	.0101245	.0103638	.0106066	.0108526	.0111021	.0113548	.0116108	.0118702	.0121328	.0123986	.0126676

(C) Multiply the **TOTAL AMOUNT OWED** from (A) by the constant multiplier listed directly below the interest rate that you circled in the chart above:

TOTAL AMOUNT OWED (from A) **Constant Multiplier** (from B) **ESTIMATED MONTHLY PAYMENT***

\$ _____ X _____ = \$ _____

**This is an estimate of the amount that you would pay each month on these federal education loans if they were scheduled to be repaid in fixed installments over a 10-year period.*

STEP 5

Add the **TOTAL ACTUAL MONTHLY PAYMENT** from Step 3 with the **TOTAL ESTIMATED MONTHLY PAYMENT** from Step 4 to determine your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**.

TOTAL ACTUAL MONTHLY PAYMENT (from Step 3) **ESTIMATED MONTHLY PAYMENT** (from Step 4) **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**

\$ _____ + \$ _____ = \$ _____

STEP 6

- (1)** Line 1. Enter your **MONTHLY INCOME** (from Step 2): \$ _____
- (2)** Line 2. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 5): \$ _____
- (3)** Line 3. Subtract Line 2 from Line 1: \$ _____
- (4)** Line 4. Enter the amount listed below for your state: \$ _____
- (5)** Line 5. \$ 892.66
- (6)** Line 6. Enter the **larger** of Line 4 or Line 5: \$ _____
- (7)** Line 7. Enter the amount from Line 3: \$ _____

(8) Is the amount on Line 7 larger than the amount on Line 6?

- Yes You do not qualify for an economic hardship deferment based on condition (5).
- No You meet the qualifications for an economic hardship deferment based on condition (5). Check the box for condition (5) in Section 2 of the deferment request.

Amounts for Line 4, above:

- \$1,100.00 (if you live in any of the 48 contiguous states or the District of Columbia)
- \$1,375.00 (if you live in Alaska)
- \$1,265.00 (if you live in Hawaii)

NOTE: If you are not currently living in the United States, use the amount for your last state of residence in the United States.

ECONOMIC HARDSHIP DEFERMENT WORKSHEET B

Use this worksheet to determine if you are eligible for an economic hardship deferment based on condition (6) in Section 2 of the Economic Hardship Deferment Request form. Completion of this worksheet is optional—if you check condition (6), your loan holder will determine your eligibility based on the income and federal education debt documentation that you provide.

DO NOT RETURN THIS WORKSHEET WITH THE DEFERMENT REQUEST—KEEP IT FOR YOUR RECORDS

STEP 1

Are you working full-time?

- Yes Go to Step 2.
 No You do not qualify for an economic hardship deferment based on condition (6). Do not continue with this worksheet. Refer to Worksheet A.

STEP 2

LOANS WITH A REPAYMENT PERIOD OF 10 YEARS OR LESS (See definition of “repayment period” in Section 5 of the deferment request form.)

Determine the total scheduled monthly payment of all your loans that are now in repayment for a period of 10 years or less (including the loans for which you are requesting deferment). You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Actual Scheduled Monthly Payment
Federal Stafford Loans (subsidized and unsubsidized)	\$ _____
Direct Subsidized and Direct Unsubsidized Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Direct Subsidized and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5	+ \$ _____
TOTAL ACTUAL MONTHLY PAYMENT:	= \$ _____

STEP 3

LOANS WITH A REPAYMENT PERIOD OF MORE THAN 10 YEARS (See definition of “repayment period” in Section 5 of the deferment request form.)

(A) Determine the total amount you owed when your loans entered repayment by adding together the amounts owed for the federal education loans listed below that are now in repayment for a period of more than 10 years (including the loans for which you are requesting deferment). You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Total Amount You Owed When Your Loans Entered Repayment
Federal Stafford Loans (subsidized and unsubsidized)	\$ _____
Direct Subsidized and Direct Unsubsidized Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Direct Subsidized and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5	+ \$ _____
TOTAL AMOUNT OWED:	= \$ _____

**ECONOMIC HARDSHIP DEFERMENT
WORKSHEET B (Continued)**

(B) Circle the current interest rate for your FFEL Program loan(s) in the chart below. If your exact interest rate is not listed, choose the next highest interest rate. If you have loans with different interest rates, circle the rate for the loan with the highest interest rate.

Interest Rate	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%	9.0%
Constant Multiplier	.0101245	.0103638	.0106066	.0108526	.0111021	.0113548	.0116108	.0118702	.0121328	.0123986	.0126676

(C) Multiply the **TOTAL AMOUNT OWED** from (A) by the constant multiplier listed directly below the interest rate that you circled in the chart above:

TOTAL AMOUNT OWED (from A) **Constant Multiplier** (from the chart above) **ESTIMATED MONTHLY PAYMENT***

\$ _____ X _____ = \$ _____

**This is an estimate of the amount that you would pay each month on these federal education loans if they were scheduled to be repaid in fixed installments over a 10-year period.*

STEP 4

Add the **TOTAL ACTUAL MONTHLY PAYMENT** from Step 2 with the **TOTAL ESTIMATED MONTHLY PAYMENT** from Step 3 to determine your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**.

TOTAL ACTUAL MONTHLY PAYMENT (from Step 2) **ESTIMATED MONTHLY PAYMENT** (from Step 3) **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**

\$ _____ + \$ _____ = \$ _____

STEP 5

(1) Line 1. Enter your monthly income: \$ _____

(see the definition of "Monthly income" in Section 5 of the Economic Hardship Deferment Request)

(2) Line 2. Multiply the amount on Line 1 by .20 (= 20%): \$ _____

(3) Line 3. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 4): \$ _____

(4) Is the amount on Line 3 **equal to or larger than** the amount on Line 2?

Yes Go to Step 6.

No You do not qualify for an economic hardship deferment based on condition (6). Do not continue with this worksheet.

STEP 6

(1) Line 1. Enter your monthly income: \$ _____

(2) Line 2. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 4): \$ _____

(3) Line 3. Subtract Line 2 from Line 1: \$ _____

(4) Line 4. Enter the amount listed below for your state: \$ _____

(5) Line 5. \$ 1,963.85

(6) Line 6. Enter the **larger** of Line 4 or Line 5: \$ _____

(7) Line 7. Enter the amount from Line 3: \$ _____

(8) Is the amount on Line 7 **less than** the amount on line 6?

Yes You meet the qualifications for an economic hardship deferment based on condition (6). Check the box for condition (6) in Section 2 of the deferment request.

No You do not qualify for an economic hardship deferment based on condition (6).

Amounts for Line 4, above:

\$2,420.00 (if you live in any of the 48 contiguous states or the District of Columbia)

\$3,025.00 (if you live in Alaska)

\$2,783.00 (if you live in Hawaii)

NOTE: *If you are not currently living in the United States, use the amount for your last state of residence in the United States.*