

# COMPLETE THIS FORM

## REQUEST FOR DEBT BURDEN OR LENDER OPTION FORBEARANCE

For loans guaranteed under the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.)

**WARNING:** Any person who knowingly makes a false statement or misrepresentation in this form shall be subject to a fine of no more than \$10,000 or imprisonment for not more than five years or both, under the provisions of 20 U.S.C. Sec. 1097.

### Section 1. BORROWER INFORMATION ( To be Completed by Borrower)

Social Security # \_\_\_\_\_

Name \_\_\_\_\_ Phone Number (\_\_\_\_) \_\_\_\_\_

Address \_\_\_\_\_ City, State, ZIP \_\_\_\_\_

### Section 2. ELIGIBILITY CRITERIA FOR DEBT BURDEN FORBEARANCE

Borrowers are eligible for 3 years of Debt Burden Forbearance (granted in 1 year increments). To meet the qualifications for a **Debt Burden Forbearance** you must:

- \* Currently be due for payments on Title IV student loans (Stafford, SLS, PLUS, Loan Consolidation) serviced by The Student Loan Corporation and/or other lender/servicers, and;
- \* Amount of these payments collectively is equal to or greater than 20% of your monthly Gross Income. Gross Income is defined as your income before taxes and deductions. For example

Your Monthly Gross Income = \$1,000.00  
Multiply by 20%                   x .20  
Total                                 = \$ 200.00

If your monthly student loan payments total \$200.00 or more you would qualify.

If you do not qualify for a Debt Burden Forbearance, you may still qualify for a Lender Option Forbearance by completing the information required in Section 4.

#### POSTPONEMENT OF PRINCIPAL PAYMENTS (AGREEMENT - to be signed by the borrower)

I hereby request a forbearance of principal payments on my student loan. It is my intention to repay this loan and I understand that I continue to be responsible for interest on my loan. The interest will be billed to me on a monthly basis according to the terms of my promissory note and repayment schedule. I agree to pay the interest to Student Loan Corporation as it is billed. If I fail to pay in full the interest accrued during the forbearance period, I hereby authorize Student Loan Corporation to add the unpaid interest to my principal balance.

I DECLARE UNDER PENALTY OF PERJURY, THAT THE FOREGOING IS TRUE AND CORRECT.

**X** \_\_\_\_\_  
Borrower Signature - MUST BE SIGNED IN INK

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

(Complete the following if applying for Debt Burden Forbearance)

MY MONTHLY STUDENT LOAN PAYMENTS TOTAL:

\$ \_\_\_\_\_

MY MONTHLY GROSS INCOME TOTALS:

\$ \_\_\_\_\_

PAY FREQUENCY

- WEEKLY  
 BI-MONTHLY  
 MONTHLY

Remember to attach supporting documentation.

(over)

FOR

9415-97324

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**Section 3. FINANCIAL INFORMATION**

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Please check all boxes that apply to you and provide the necessary documentation:

I am currently employed and my Monthly Student Loan Debt is equal to or greater than 20% of my Monthly Gross Income. The pay period reflected by the attached supporting documentation begins \_\_\_/\_\_\_/\_\_\_ and ends \_\_\_/\_\_\_/\_\_\_ and includes \_\_\_ hours worked. (Attach recent paycheck stubs from all sources that support your income. This information must not be more than 60 days old).

In addition to my loans through Student Loan Corporation, I am currently paying on additional FFELP Title IV Student Loans from other sources. (Attach a copy of a Repayment Disclosure or Coupon/Bill to support this).

I am on Public Assistance. (Attach a recent Budget Sheet documenting your entitlement. This would include income received from AFDC, federal or state Public Assistance, SSI, Food Stamps, etc).

I am Self-Employed. You should provide copies of your monthly business wage/income statement from your accountant or copies of your most recent Quarterly Wage and Tax Statement (Schedule C) submitted to the Internal Revenue Service. (W-2 forms and Personal Income Tax Return forms are not acceptable documentation of income).

I am Unemployed and no longer qualify for an Unemployment Deferment because I have used the maximum allowed per Government Regulations, or have not met the eligibility requirements. I receive \$ \_\_\_\_\_ per month in Unemployment Compensation. (Attach copy of Compensation Benefit).

Please consider me for a Lender Option Forbearance if I do not qualify for a Debt Burden Forbearance. (Please complete section 4).

I have no income.

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**Section 4. THE STATEMENT BELOW IS MY EXPLANATION OF REQUEST FOR LENDER OPTION FORBEARANCE**

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Please state the basic reasons you are requesting a Lender Option Forbearance.

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PLEASE BE AWARE, FAILURE TO FULLY COMPLETE THE ENCLOSED FORBEARANCE APPLICATION OR TO PROVIDE ALL NECESSARY DOCUMENTATION/CERTIFICATION WILL DELAY PROCESSING AND MAY RESULT IN COLLECTION ACTIVITY.

**TO QUALIFY YOU MUST:**

Borrowers are entitled to 3 years of **Debt Burden Forbearance** if:

- Their monthly Title IV student loan payments (Federal Stafford, SLS, PLUS, Loan Consolidation) are equal to or greater than 20% of their **Total Monthly Gross Income**.

**- EXAMPLE -**

Monthly Federal Student Loan Debt.....	\$200.00/month
Total Monthly Gross Income.....	\$950.00/month
$\$200.00 \text{ divided by } \$950.00 = 21\%$	
<b>21% is greater than 20% therefore the borrower is eligible</b>	

Borrowers are entitled to **Mandatory Forbearance** if:

- They are serving in a **Medical or Dental Internship or Residency program**. The internship or residency program must lead to a degree or certificate awarded by an institution of higher learning, hospital or health facility that offers post graduate training;
- They are participating in **Partial Repayment Programs** offered by the Department of Defense;
- They are serving in a **National Service Position** for which the borrower will receive a national service education award (AmeriCorp);
- They are currently enrolled in the **Federal Stafford Loan Forgiveness Demonstration Program**.

**TO APPLY FOR YOUR FORBEARANCE:**

- You must fully complete the attached forbearance request. Please provide information about yourself including your social security number, permanent address and phone numbers (work and home);
- You must provide all the necessary documentation listed on the reverse side of this instruction sheet;
- You must place your signature (in ink) on the space provided including the full date (month/day/year) you completed the document.

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**TO BE APPROVED YOU MUST PROVIDE THE FOLLOWING DOCUMENTATION:**

**DEBT BURDEN FORBEARANCE**

- Supporting documentation to verify your most recent total monthly gross income from all sources. Examples of this documentation include **copies** of weekly pay stubs, pension checks, unemployment compensation checks or annuity checks.

- AND -

- Proof of your current monthly payments on any Federal Stafford, SLS, PLUS or Loan Consolidation loans (Title IV debt) not held by the Student Loan Corporation. Examples of this include copies of any payment coupons or monthly statements which you receive.

**MANDATORY FORBEARANCE**

**Medical or Dental Internship or Residency**

- Certification by a program official. This certification must contain:
  - Complete starting and expected ending dates (month/day/year);
  - Signature and title of a certified program official;
  - Complete address and phone number of the institution of higher learning, hospital or health care facility that the borrower is attending and which offers post graduate training;
  - Date the application was certified. This is the date the program official signed the certification stating that all the information is true and correct.

**PARTIAL REPAYMENT PROGRAMS**

**National Service Position (AMERICORP)**

Written certification from the Corporation For National Service showing complete starting and ending dates (month/day/year) of your service in the National Service Program (AmeriCorp).

Your certification must come from the **Corporation For National Service** in Washington, D.C.

National Service Trust  
Corporation For National Service  
1225 New York Avenue  
Washington, D.C. 20525

(202) 606-5000 ext. 347

**STAFFORD LOAN FORGIVENESS AND DEPARTMENT OF DEFENSE**

Certification by a program official. This certification must contain:

Complete starting and expected ending dates (month/day/year);

Signature and title of a certified program official;

Date the application was certified. This is the date the program official signed the certification stating that all the information is true and correct.