

Education Services Foundation

FORBEARANCE FORM
 Federal Family Education Loan Program Federal
 Stafford/SLS/PLUS/Consolidation Loans

SECTION 1: BORROWER INFORMATION

Name _____ Account Number _____
 Address _____ Telephone - Home _____ (with area code)
 City / State / Zip _____ Telephone - Work _____ (with area code)
 E-Mail Address _____ Telephone - Alternate _____ (with area code)

SECTION 2: FORBEARANCE TYPES (Self-Certifying)

Check the forbearance type(s) for which you wish to apply. Please review the reverse side of this form for an explanation of each forbearance type.

- Economic Hardship*** - My student loan payments are greater than or equal to 20% of my monthly gross income.
 - **Attach** documentation of monthly payments due on any Federal student loan(s) not serviced by ESF.
 - **Attach** proof of your most recent monthly gross income with the pay period clearly labeled.

If you cannot provide proof of income, check the box below that applies to your situation:

 - I Receive No Income** **I Am Self Employed** (See reverse side of form for additional requirements)
 - I wish to be considered for a Temporary Hardship Forbearance if I do not qualify for Economic Hardship.**
- Temporary Hardship*** - I intend to repay my loan(s); however, I am unable to make the monthly installment payment on my loan(s) due to:
 - Financial Difficulty**
 - My dependent student for whom I received a PLUS loan is in school at least H/T, which is causing financial difficulty**
- In-School** - I intend to repay my loan(s); however, I am unable to make the monthly installment payment on my loan(s) since I am currently attending school but do not qualify for an in-school deferment.

Name of School: _____ Dates of Attendance: (MM/YY) _____ to _____.

* The forbearance will be granted for up to 12 months unless a shorter period is specified. I request my forbearance to end on: (MM/YY) _____.

SECTION 3: FORBEARANCE TYPES (Certification Required)

Borrowers / Co-Makers:

Check the forbearance type(s) for which you wish to apply. Please review the reverse side of this form for an explanation of each forbearance type.

- National and Community Service** **Department of Defense Loan Repayment Program** **Internship/Residency**

Authorized Certifying Official:

I certify that the borrower is eligible for the forbearance selected above and meets all of the requirements provided on the reverse side of this form for the period: (MM/DD/YY) _____ to _____.

 Name of Organization Official's Signature and Title Date Phone Number

SECTION 4: FORBEARANCE AGREEMENT

Although my situation at the present time is preventing me from making regularly scheduled payments, I agree to repay my loan(s) upon termination of this forbearance according to the terms of my Promissory Note and Repayment Schedule. During the forbearance period, I am responsible for the accrued interest on my loan(s). Any unpaid interest will be added to the principal balance of the loan(s) when the forbearance ends. Payments will resume within sixty (60) days of the forbearance end date. The exact amount of the monthly payments will be calculated in accordance with all applicable laws governing student loans.

I understand that should my situation under which I applied for this forbearance change, I must notify ESF if I wish to have the forbearance for which I applied placed on all loans that fall under the guidelines for federally insured loans. I understand the forbearance I have requested will not be granted for more than 12 months at one time. I understand that if I qualify for one of the above forbearances, I authorize ESF to extend and/or backdate a Temporary Hardship Forbearance (not to exceed 12 months) to ensure any past due amount on my loan(s) will be covered. I understand that if an end date is not provided, the forbearance will be granted for a period not to exceed 12 months. For an account that is delinquent, the forbearance can be applied retroactively to cover the period of delinquency; however, any negative reports that were submitted to the credit bureaus will not be removed.

The above information is true and correct to the best of my knowledge.

X _____
Borrower's and Co-Maker's (if applicable) **Signature** (See information on the reverse side regarding Co-Makers) **Date**

Return Completed Form To:
 ESF ♦ P.O. Drawer 55909 ♦ Jackson, MS 39296
Fax: 601-321-5566

FORBEARANCE DESCRIPTIONS

Economic Hardship (Excessive Student Loan Debt Burden): This type of forbearance is granted to borrowers who have excessive student loan debt burden. For purposes of this forbearance, excessive student loan debt is defined as having Federal student loan payments that are greater than or equal to 20 percent of the borrower's monthly gross income. Maximum eligibility for this forbearance is 36 months. In order to be considered for this forbearance type, attach: (A) Proof of your most recent monthly gross income that clearly indicates the pay period (such as copies of your pay stubs within the last 30 days) or check the box on the front of the form if you receive no income or are self employed. If you are self employed and cannot provide traditional documentation of income (i.e. pay stubs), check the box on the front of the form that states "I Am Self Employed", provide a self-certifying statement of projected monthly income from all sources and documentation of the newly formed business and documentation of your involvement in the business (i.e. a statement from your accountant). (B) Documentation of monthly payments due on any Federal student loan(s) not serviced by ESF. If your student loan debt payments divided by your monthly gross income is less than 0.2, you do not qualify for this forbearance.

Temporary Hardship: This discretionary forbearance option is granted to borrowers who intend to repay their loan(s) but show that repayment of their student loan(s) at the present time would constitute a hardship. Reasons for this may include financial difficulty or hardship created as the result of having a dependent student for whom a PLUS loan was received attending school on at least a half-time basis.

In-School: This discretionary forbearance option is granted to borrowers who return to school but do not meet the appropriate deferment criteria. In order to be considered for this forbearance type, list the name of the school and the dates of attendance in SECTION 2. You may be required to have a school official certify this information if we are unable to verify this enrollment through the National Student Clearinghouse. In the event a certification is required and ESF is unable to obtain a certification, your request for a forbearance will be denied.

Internship/Residency: This type of forbearance is granted to borrowers who have used their maximum 24 months of Internship/Residency deferment time or are not eligible to receive an Internship/Residency deferment. In order to be considered for this forbearance type, attach documentation verifying your internship/residency position and the dates you are participating in the program or have SECTION 3 completed by an authorized official. If your Internship/Residency is not at an Institution of Higher Education, Hospital or Health Care Facility, you must also attach a statement from the appropriate state licensing agency certifying that the program is required in order for you to be certified for professional practice or service.

National and Community Service (CNCS): This type of forbearance is granted to borrowers who are serving in an approved national service position under the National and Community Service Trust Act of 1993. In order to be considered for this forbearance type, attach a copy of the letter from AmeriCorps concerning your participation or have SECTION 3 completed by an authorized official.

Department of Defense Loan Repayment Program: This type of forbearance is granted to borrowers who are eligible to have either all or part of their student loans repaid by the Department of Defense (DOD). In order to be considered for this forbearance type, attach official documentation demonstrating your eligibility or have SECTION 3 completed by an authorized official.

CO-MAKER INFORMATION

If there is a co-maker(s) on the loan(s) for which you are requesting a forbearance, the co-maker(s) must also apply and be eligible for the same or different forbearance type during the same period of time in order for you to be eligible. If the co-maker is applying for the same forbearance type, one form may be used as long as both signatures are present and the proper documentation (if necessary) is attached for both parties. If the co-maker is applying for a different forbearance type, two forms are required.

EFT BORROWERS

If you are currently using our Electronic Funds Transfer service, Direct Debit, and will not have the funds available for your next scheduled debit, call us at least 3 business days prior to your due date to have the EFT payment suspended for 30 days. This should allow you time to submit your forbearance request. However, keep in mind that until your request for forbearance is approved you remain responsible for any EFT payments that you requested to have suspended as well as for any future EFT debits.

EXPLANATION OF INTEREST CAPITALIZATION

Capitalization of interest is the addition of outstanding accrued interest to the current principal balance of a loan.

The interest during a forbearance period will automatically be capitalized by ESF at the end of the forbearance. However, you will receive a notice at the end of each quarter (March 31, June 30, September 30, and December 31) advising you of the amount of interest which has accrued on your loan(s). The major advantage of capitalizing interest is the flexibility it provides because no payment is required, but you may still pay the interest if your financial situation allows for this. It is recommended that you make the interest payments during the course of your forbearance because the interest, which is capitalized, will result in a higher principal balance and additional finance charges over the course of repayment. In addition, the capitalization may cause your monthly payment amount to increase.

For More Information Call Us Toll Free At **1-877-349-4347**

Or Visit Our Website at **www.esfweb.com**