



## Section 2: Definitions/Eligibility Criteria for Economic Hardship Deferment Request

### Definitions

- A **deferment** is a period during which I am entitled to postpone repayment of the principal balance of my loan(s). Interest does not accrue during an eligible deferment on Federal Direct Stafford/Ford Loans (Direct Subsidized Loans) or Federal Direct Subsidized Consolidation Loans (Direct Subsidized Consolidation Loans). I am responsible for the interest that accrues during this period on all other Direct Loan Program loans.
- **Gross income** is the amount of my compensation/income from my employer or any other source prior to deductions required by law being withheld.
- **Adjusted gross income** is the amount of my total annual income plus or minus any adjustments recorded on my Federal Income Tax Return.
- **Full-Time** employment is defined as working at least 30 hours per week in a position expected to last at least three months.
- **Minimum 10 year repayment period** refers to the period that is 10 years from the date I entered repayment regardless of the actual length of my repayment schedule. To determine if I am eligible for an economic hardship deferment, ED will estimate the payment amount that I would owe if my loan were scheduled to be repaid in fixed installments within this period.
- **Capitalization** is a process whereby ED adds unpaid interest to the principal balance of a loan(s).

### Eligibility

Below you will find a list of federal postsecondary education loans that may be included in reporting the total amount you borrowed for items (v) and (vi) in Section 1.

- **Subsidized Loans**
  - Federal Stafford Loans (Subsidized)
  - Guaranteed Student Loans (GSL)
  - Federal Insured Student Loans (FISL)
  - Federal Direct Stafford/Ford Loans
  - Federal Direct Subsidized Consolidation Loans
  - Federal Perkins Loans
  - National Direct Student Loans (NDSL)
  - National Defense Student Loans (NDSL)
  - Federal Consolidation Loans
  - Federal Direct Unsubsidized Consolidation Loans
  - Federal Direct Unsubsidized Stafford/Ford Loans
  - Auxiliary Loans to Assist Students (ALAS)
  - Health Professions Student Loans (HPSL)
  - Health Education Assistance Loans (HEAL)
  - Federal PLUS Loans
  - Parent Loans for Undergraduate Students (PLUS)
  - Federal Direct PLUS Loans
- **Unsubsidized Loans**
  - Federal Stafford Loans
  - (Unsubsidized - made on or after 10/1/92)
  - Federal Supplemental Loans for Students (SLS)
  - Federal Direct PLUS Consolidation Loans
  - Other Loans made under Subpart II of Part A of Title VII of the Public Health Service Act and Subpart II of Part B of Title VIII of the Public Health Service Act

### Important Notices

#### Privacy Act Disclosure 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 information requested on this form is §451 et seq. of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a deferment. The information on this form will be used to determine your eligibility for a deferment of repayment of your Direct Loan Program loan(s). The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant, or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

#### Return this form and any required documentation to:

**U.S. Department of Education  
Direct Loan Servicing Center  
P.O. Box 4609  
Utica, NY 13504-4609**

#### If assistance is needed in completing this form call:

**1 (800) 848-0979**

**Individuals who use a telecommunications device for the deaf (TDD)  
may call: 1 (800) 848-0983**

#### 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 1845-0011. The time required to complete this information collection is estimated to average 0.2 hours (12 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:**

U.S. Department of Education  
Direct Loan Servicing Center  
P.O. Box 4609  
Utica, NY 13504-4609