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 FEDERAL STUDENT AID

**LOAN DEBT BURDEN FORBEARANCE APPLICATION**

**WHY WE ARE CONTACTING YOU**

This forbearance type is available to qualified individuals to reduce or to temporarily suspend repayment. You qualify if your monthly federal student loan payments are at least 20% of your gross monthly income (before taxes) or if you have no income.

**WHAT ACTIONS YOU NEED TO TAKE**

Please complete the application carefully using the checklist below.

**Section 1**

- Supply your most recent demographic information.

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**Section 2**

- Choose to suspend or reduce payments.
- Provide your requested forbearance beginning and ending dates.

Note: Please keep the dates within 12 months and remember that only 3 years are available for this forbearance type for the life of the loan, so we recommend to only request what you absolutely need.

- Write your total monthly payment amount for all of your federal student loans (including those not serviced by FedLoan Servicing) AND write your total gross monthly income.

**Section 3**

- Provide your signature and the date.

**Supporting Documentation**

- Attach documentation of your gross monthly income, such as paystubs, W-2 forms, and/or a **signed** copy of your most recently filed tax return.
- Attach documentation, such as a billing statement, showing the payment amount on your federal student loans that are not serviced by our office.

**ADDITIONAL INFORMATION YOU MAY FIND HELPFUL**

- Forbearance applications are typically processed within 10 business days - please continue making payments in the meantime. You will receive a letter indicating whether your request is approved or denied.
- You are still responsible for any upcoming or past-due payments covered by the Loan Debt Burden Forbearance period. You can prevent collection activities by making payments or by completing the Supplemental Forbearance Form included with this application.
- To suspend Direct Debit transactions, you must contact us at least 3 business days prior to your due date. Otherwise, payments will continue to extract until the processing of your forbearance request is complete.
- If you would like to explore options other than the Loan Debt Burden Forbearance, please review the enclosed Options for Title IV Loans page.



# LOAN DEBT BURDEN FORBEARANCE REQUEST

## William D. Ford Federal Direct Loan Program

OMB No. 1845-0018  
Form Approved  
Exp. Date 05/31/2012

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents will be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

**LDBFB**  
Loan Debt Burden

### SECTION 1: BORROWER / ENDORSER IDENTIFICATION

PLEASE PRINT LEGIBLY IN BLUE OR BLACK INK

Please correct or, if information is missing, enter below.

SSN |\_\_|\_|\_|-|\_\_|\_|-|\_\_|\_|\_|\_|\_|

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone - Home ( ) \_\_\_\_\_

Telephone - Other ( ) \_\_\_\_\_

E-mail Address (optional) \_\_\_\_\_

### SECTION 2: FORBEARANCE REQUEST

**Before completing this form, carefully read the entire form, including the instructions and other information in Sections 4, 5, and 6. YOU MUST ATTACH TO THIS FORM THE DOCUMENTATION LISTED IN SECTION 6.**

■ If this forbearance request is approved, I want to (check one):

- temporarily stop making payments; or
- make smaller payments of \$\_\_\_\_\_ per month.

■ I meet the required condition stated below and request that the U.S. Department of Education (ED) grant a forbearance on my loan(s) beginning

(MM-DD-YYYY) |\_\_|\_|\_|-|\_\_|\_|\_|-|\_\_|\_|\_|\_|\_| and ending (MM-DD-YYYY) |\_\_|\_|\_|-|\_\_|\_|\_|-|\_\_|\_|\_|\_|\_| for a period not to exceed 12 months. At the end of the forbearance, I may apply to renew the forbearance if I meet the required conditions. My maximum eligibility for this type of forbearance is three years.

■ I am currently making a TOTAL MONTHLY PAYMENT ON MY ELIGIBLE FEDERAL EDUCATION LOAN(S) that is equal to or greater than 20% of my TOTAL MONTHLY GROSS INCOME.

The total monthly payment on my eligible Federal education loan(s), including the loan(s) for which I am requesting forbearance, is \$ \_\_\_\_\_, and I have attached documentation of this total monthly payment amount (see Section 6).

My total monthly gross income from all sources is \$ \_\_\_\_\_, and I have attached documentation of this income (see Section 6).

### SECTION 3: BORROWER / ENDORSER UNDERSTANDINGS AND CERTIFICATIONS

■ I understand that the following terms and conditions apply to this forbearance request:

- (1) I will continue to receive billing statements for my current payment amount which I must pay until I am notified by my servicer that my forbearance request has been granted.
- (2) ED 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 forbearance request. ED will not capitalize interest that accrues during this forbearance.
- (3) ED will not grant this forbearance request unless this form is completed and any required documentation is provided.
- (4) During the forbearance period, I am not required to make payments of loan principal and interest, but interest will be charged on all of my loans.
- (5) If I requested a temporary suspension of payments, I will receive an interest statement, and I may pay the interest at any time. If I do not pay the interest that accrues on my loan(s), it will be capitalized at the end of the forbearance period.
- (6) If I requested a reduced payment forbearance, I will receive a monthly bill for the requested payment amount until the forbearance ends, and any unpaid interest that has accrued during the period will be capitalized at the end of the forbearance period.

■ I certify that:

- (1) The information I have provided on this form is true and correct.
- (2) I will provide additional documentation to my servicer, as required, to support my continued forbearance status.
- (3) I will notify my servicer immediately when the condition that qualified me for the forbearance ends.
- (4) I have read, understand, and meet the eligibility requirements of the forbearance for which I have applied.
- (5) Upon termination of this forbearance, I will repay my loan(s) according to the terms of my promissory note and repayment schedule.

BORROWER'S OR ENDORSER'S SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

#### SECTION 4: INSTRUCTIONS FOR COMPLETING THE LOAN DEBT BURDEN FORBEARANCE REQUEST FORM

Type or print using dark ink. Report dates as month-day-year. For example, show "January 31, 2007" as "01-31-2007". **REMEMBER TO SIGN AND DATE THE FORM AND ATTACH TO THIS FORM THE DOCUMENTATION LISTED IN SECTION 6.**

Send the completed form and any required documentation to:

U.S. Department of Education  
FedLoan Servicing  
P.O. Box 69184  
Harrisburg PA 17106-9184

If you need help completing this form, call:

1-800-699-2908

If you use a telecommunications device for the deaf (TDD), call:

1-800-722-8189

Web site:

[www.myfedloan.org](http://www.myfedloan.org)

#### SECTION 5: DEFINITIONS

- If unpaid interest is **capitalized**, this means that it is added to the principal balance of your loan(s). This will increase the principal amount and the total cost of your loan(s).
- **Eligible Federal education loans** that may be used in determining your eligibility for a loan debt burden forbearance are loans made under Title IV of the Higher Education Act of 1965, as amended and include all William D. Ford Federal Direct Loan Program loans, Federal Family Education Loan Program loans, and Federal Perkins Loan Program loans (see definitions).
- An **endorser** is someone who promises to repay a PLUS loan or the PLUS portion of a consolidation loan if the parent borrower does not repay it.
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (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 (NDSL).
- A **forbearance** allows you to temporarily postpone making payments on your loan(s) or lets you temporarily make smaller payments than previously scheduled. Interest is charged during a forbearance on all types of Direct 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. These loans are known collectively as "Direct Loans".

#### SECTION 6: ELIGIBILITY REQUIREMENTS

- You may temporarily postpone making payments or make smaller payments than previously scheduled during the period that you meet the condition described in Section 2.
- You must reapply every year if you continue to meet the requirements for a loan debt burden forbearance. You may receive a loan debt burden forbearance for a maximum of three years.
- You must provide your servicer with documentation of your most recent monthly payments due on all of your eligible Federal education loans, such as monthly statements, coupons, and/or cancelled checks.
- You must provide your servicer with documentation of your monthly gross income from all sources, such as pay stubs, W-2 forms, dividend statements, and/or cancelled checks.

#### 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 authority for collecting the requested information from and about you is §451 *et seq.* of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1087a *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 William D. Ford Federal Direct Loan (Direct 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 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 to efficiently 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 1845-0011. 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 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 20202-4537. **Do not send the completed form to this address.**

If you have questions about the status of **your individual submission of this form**, contact your servicer (see Section 5).



**SUPPLEMENTAL FORBEARANCE FORM**

**Request for Temporary Hardship Forbearance**

Records Code: HDFRB - XFRB  
Version Date: 07/26/10

**SMFT**

**SECTION 1: BORROWER IDENTIFICATION**

NAME: \_\_\_\_\_ ACCOUNT NUMBER: \_\_\_\_\_

**SECTION 2: FORBEARANCE AGREEMENT**

If my Internship / Residency or Loan Debt Burden forbearance request is approved, I authorize FedLoan Servicing to grant a separate Temporary Hardship Forbearance for not more than 12 months to cover any past due payments not covered by the Internship / Residency or Loan Debt Burden forbearance.

If my Internship / Residency or Loan Debt Burden forbearance request is not approved, I authorize FedLoan Servicing to grant a Temporary Hardship Forbearance to cover any payments that are past due or due within the next 20 days from the date my request is processed. This forbearance will be for no more than 12 months.

Although my current situation is preventing me from making regularly scheduled payments, I intend and agree to repay my loan(s) according to the terms and conditions of my promissory note.

I understand and agree that:

- My period of Temporary Hardship Forbearance may not exceed 12 months at a time or a cumulative total of 36 months.
- My supplemental forbearance request will be denied if I have exhausted the maximum 36 months of Temporary Hardship Forbearance time.
- Interest continues to accrue during my forbearance period and I have the option to pay that interest.
- All unpaid interest will be capitalized (added to the principal balance) when my forbearance ends.
- Repayment will resume when my forbearance ends.
- My payment amount may be recalculated after the forbearance period ends in accordance with all applicable laws governing student loans.

**SECTION 3: BORROWER AUTHORIZATION/SIGNATURE**

My signature below certifies that I have read, understand, and agree to the terms stated in Section 2.

\_\_\_\_\_  
**Borrower's Signature**

\_\_\_\_\_  
**Date**

**SECTION 4: RETURN ADDRESS**

Send your completed form to:

FedLoan Servicing  
P.O. Box 69184  
Harrisburg PA 17106-9184

Or Fax to: 717-720-1628