IN-SCHOOL DEFERMENT REQUEST

Federal Family Education Loan Program

OMB No. 1845-0005
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 is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SCH

SECTION 1: BORROWER IDENTIFICATION

Please enter or correct the following information.

SSN |__|__|__|-|__|__|-|__|__|__|__|

Name _____

Address _____

City, State, Zip Code _____

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 5 and 6.

■ I meet the qualifications for the deferment(s) checked below and request that my loan holder defer repayment of my loan(s) (check all that apply):

☐ While I am enrolled FULL TIME at an eligible school. (For borrowers with any FFEL Program loan.)

☐ While I am enrolled AT LEAST HALF TIME at an eligible school. (For borrowers who, on the date they signed the promissory note, did not have an outstanding balance on a FFEL Program loan made before July 1, 1987; Federal PLUS Loans first disbursed on or after July 1, 2008, are eligible regardless of when the oldest outstanding loan was made.)

☐ If I am a parent borrower of a Federal PLUS Loan first disbursed on or after July 1, 2008, during the 6-month period after I cease to be enrolled at least half time at an eligible school.

SECTION 3: BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATION

■ 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 paying the interest that accrues 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.

(4) My deferment will begin on the date I began full-time or at least half-time enrollment, as certified by the authorized official who completes Section 4 of this form, and will end on the earlier of the date that I cease to meet the enrollment status requirement that qualifies me for the deferment, or the expected ending date of my qualifying enrollment status as certified by the authorized official.

(5) If I am a graduate or professional student Federal PLUS Loan borrower, I will also receive a deferment on my Federal PLUS Loan(s) first disbursed on or after July 1, 2008 during the 6-month period after I cease to be enrolled on at least a half-time basis.

(6) If I am a parent borrower of a Federal PLUS Loan first disbursed on or after July 1, 2008 and I request a deferment during the 6-month period after I cease to be enrolled on at least a half-time basis, my deferment will begin on the day after I cease to be enrolled at least half time and will end 6 months after that date.

(7) 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 or—if the period for which I am eligible for a deferment has ended—a forbearance for all payments due at the time my deferment request is processed.

(8) 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 the forbearance will not be capitalized.

■ I certify that: (1) The information I provided in Sections 1 and 2 above is true and correct. (2) I will provide additional documentation to my loan holder, as required, to support my deferment status. (3) I will notify my loan holder immediately when the enrollment status that qualified me for the deferment ends. (4) I have read, understand, and meet the eligibility criteria of the deferment for which I have applied.

■ I authorize the school, the lender, the guarantor, the Department, and their respective agents and contractors to contact me regarding my loan(s), including repayment of my loan(s), at the current or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower's Signature _____ Date _____

SECTION 4: AUTHORIZED OFFICIAL'S CERTIFICATION

NOTE: *As an alternative to completing this section, the school may attach its own enrollment certification report listing the required information.*

I certify, to the best of my knowledge and belief, that the borrower named above:

(1) is/was enrolled as (check the appropriate box) ☐ a full-time student or ☐ at least a half-time student during the academic period from |__|__|-|__|__|-|__|__|__|__| to |__|__|-|__|__|-|__|__|__|__| and

(2) is reasonably expected to complete his/her program requirements on |__|__|-|__|__|-|__|__|__|__|.

Name of Institution _____ OPE-ID _____

Address _____ City, State, Zip Code _____

Name/Title of Authorized Official _____ Telephone ( ) _____

Authorized Official's Signature _____ Date _____

SECTION 5: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. Report dates as month-day-year (MM-DD-YYYY). For example, 'January 31, 2009' = '01-31-2009'. An authorized school official must either complete Section 4 or attach the school's own enrollment certification report listing the required information. 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 6: DEFINITIONS

- An **authorized certifying official** for an In-School Deferment is an authorized official of the school where I am/was enrolled as a full-time or at least half-time student.
- **Capitalization** is the addition of unpaid interest to the principal balance of my loan. The principal balance of a loan increases when payments are postponed during periods of deferment or forbearance and unpaid interest is capitalized. As a result, more interest may accrue over the life of the loan, the monthly payment amount may be higher, or more payments may be required. The chart below provides estimates, for a $15,000 unsubsidized loan balance at a 9% interest rate, of the monthly payments due following a 12-month deferment. It compares the effects of paying the interest as it accrues, capitalizing the interest at the end of the deferment, and capitalizing interest quarterly and at the end of the deferment. My actual loan interest cost will depend on my interest rate, length of the deferment, and frequency of capitalization. Paying interest during the period of deferment lowers the monthly payment by about $18 and saves about $772 over the lifetime of the loan, as depicted in the chart below.

Treatment of Interest Accrued During Deferment	Loan Amount	Capitalized Interest for 12 Months	Principal to Be Repaid	Monthly Payment	Number of Payments	Total Amount Repaid	Total Interest Paid
Interest is paid	$15,000.00	$0.00	$15,000.00	$190.01	120	$24,151.64*	$9,151.64
Interest is capitalized at the end of deferment	$15,000.00	$1,350.00	$16,350.00	$207.11	120	$24,853.79	$9,853.79
Interest is capitalized quarterly during deferment and at the end of deferment	$15,000.00	$1,396.25	$16,396.25	$207.70	120	$24,924.09	$9,924.09

*Total amount repaid includes $1,350 of interest paid during the 12-month period of deferment.

- 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.
- The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- **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 paying 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.
- The **holder** of my FFEL Program loan(s) may be a lender, guaranty agency, secondary market, or the U.S. Department of Education.

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.)

Nelnet
Attn: Enrollment Processing Dept
P.O. Box 82565
Lincoln, NE 68501-2565

If you need help completing this form, call:
(If no telephone number is shown, call your loan holder.)

Toll free Fax (866) 545-9196

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 §421 et seq. of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1071 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 Program (FFELP) 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 FFELP, 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) becomes 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 1845-0005. 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 20202-4537

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