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Building on Your Medical School Education  
Investment ...

Managing Your Educational Loan Repayment  
While Building Your Personal Financial Plan

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Washington University in St. Louis  
School of Medicine  
Graduate Medical Education Office

April 25, 2013

# YOUR FINANCIAL PLAN

*don't let it get out of whack!!*



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# AGENDA

- **Review aspects of student loan repayment**
  - **Review process to consolidate loans**
    - **Review process to qualify for Public Service Loan Forgiveness**
  - **Look at impact of student loans on credit and how to view investing**
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# OBJECTIVES

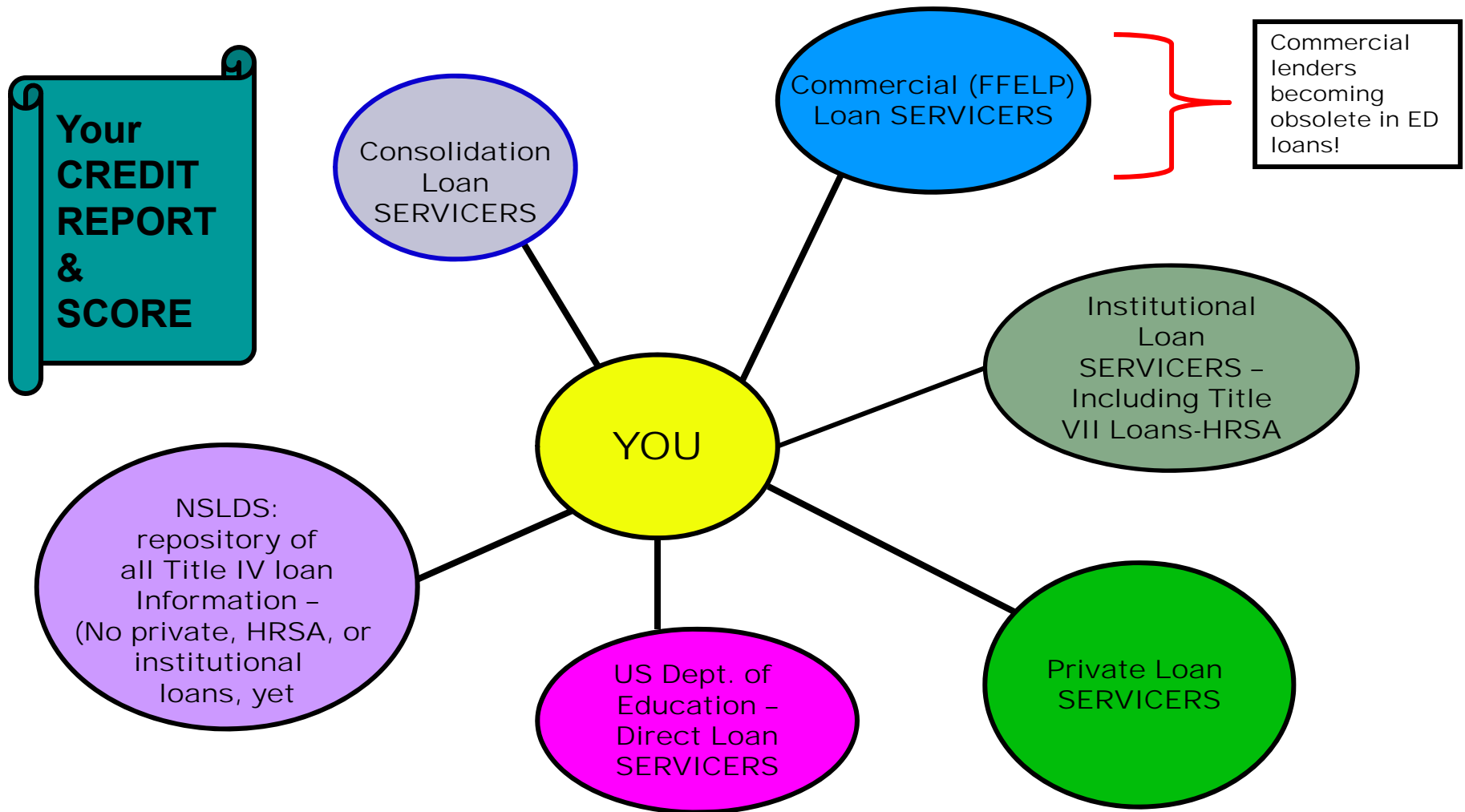
- Review student loan repayment plans/options so you can choose the best plan for your long-range professional goals
  - Understand how to postpone payments, if absolutely necessary
  - Review credit reports & scores and the impact of student loan debt to maximize your credit “credibility” and view repaying loans while beginning an investment plan
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# STUDENT LOANS

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# STUDENT LOANS ON YOUR CREDIT REPORT



# CONSEQUENCES

## ■ DELINQUENCY AND/OR DEFAULT:

- **Collection agency**
- **Garnish wages**
- **Withhold tax refunds**
- **Appear on credit report**
- **Withhold Medicare/Medicaid reimbursements**

## ■ POOR OR MEDIOCRE CREDIT:

- **Low credit score**
  - cost of borrowing
  - cost of insurance premiums
  - less "disposable income" to invest
- **It can affect employment opportunities!!**
- **It can affect licensure!!**



# FINDING YOUR (FEDERAL) LOANS

**START HERE  
GO FURTHER  
FEDERAL STUDENT AID™**

[Español \(Spanish\)  
Skip Navigation](#)

**National Student Loan Data System (NSLDS) for Students**

[Financial Aid Review](#) [Exit Counseling](#) [Glossary of Terms](#) [Browser Info/Setup](#) [FAQs](#) [Contact Us](#)

**Hurricane Assistance**

**NSLDS STUDENT ACCESS**  
National Student Loan Data System

**Retrieve Your Loan Information**

The National Student Loan Data System (NSLDS) is the U.S. Department of Education's (ED's) central database for student aid. NSLDS receives data from schools, guaranty agencies, the Direct Loan program, and other Department of ED programs. NSLDS Student Access provides a centralized, integrated view of Title IV loans and grants so that recipients of Title IV Aid can access and inquire about their Title IV loans and/or grant data.

[Financial Aid Review](#)

[Exit Counseling](#)

FOIA | Privacy | Security | Notices

WhiteHouse.gov | USA.gov | ED.gov

Be sure to review the information on

**[www.nslds.ed.gov](http://www.nslds.ed.gov)**

You will need:

1. Your SS #
2. Your DOB
3. First 2 letters of your last name
4. Your FAFSA Pin #

HRSA loans = LDS  
you must have  
the information.

Perkins loans = you  
must have the information.

If you have forgotten your pin #, go to  
**[www.pin.ed.gov](http://www.pin.ed.gov)**

Remember, if you've changed your name while borrowing, look for all loans including those under your other name.



# (DIRECT LOAN) SERVICERS - BORROWER SERVICES - (2013/Current)

Federal TIVA Servicers	Federal Servicers	Other State Servicers – still holding FFEL loans
<p><b>FedLoan Servicing (PHEAA)</b>  <a href="http://www.myfedloan.org">www.myfedloan.org</a>            1-800-699-2908</p> <p><b>DIRECT LOAN CONSOLIDATOR &amp; DIRECT LOAN SERVICER FOR PSLF</b></p>	<p><b>MOHELA</b>  <a href="http://www.mohela.com">www.mohela.com</a>            1-888-866-4352</p>	<p><b>Brazos</b></p>
<p><b>Sallie Mae</b>  <a href="http://www.salliemae.com">www.salliemae.com</a>            1-800-722-1300</p> <p><b>DIRECT LOAN CONSOLIDATOR</b></p>	<p><b>ESA/Edfinancial</b>  <a href="http://www.edfinancial.com/DL">www.edfinancial.com/DL</a>            1-855-337-6884</p>	<p><b>New Mexico Student Loan Authority</b></p>
<p><b>Nelnet</b>  <a href="http://www.nelnet.com">www.nelnet.com</a>            1-888-486-4722</p>	<p><b>CornerStone</b>  <a href="http://www.MyCornerStoneLoan.org">www.MyCornerStoneLoan.org</a>            1-800-663-1662</p>	
<p><b>Great Lakes Educational Loan Services, Inc.</b>  <a href="http://www.mygreatlakes.org">www.mygreatlakes.org</a>            1-800-236-4300</p>	<p><b>Aspire Resources Inc</b>  <a href="http://www.AspireResourcesInc.com">www.AspireResourcesInc.com</a>            1-855-475-3335</p>	
<p><b>Direct Loan Servicing Center (ACS)</b>  <a href="http://www.myedaccount.com">www.myedaccount.com</a>            1-800-848-0979</p> <p><b>(BEING PHASED OUT AS DL CONSOLIDATOR)</b></p>	<p><b>Granite State - GSMR</b>  <a href="http://www.gsmr.org">www.gsmr.org</a>            1-888-556-0022</p>	

## (DIRECT LOAN) SERVICERS - BORROWER SERVICES – (2013 Current)

Federal TIVA Servicers	Federal Servicers	Other State Servicers – still holding FFEL loans
	<b>OSLA Servicing</b> <a href="http://www.osla.org">www.osla.org</a> 1-866-264-9762	
	<b>EdManage</b> <a href="http://www.edmanage.myedloan.com">www.edmanage.myedloan.com</a> 1-855-479-0490	
	<b>VSAC Federal Loans</b> <a href="http://www.vsacfederalloans.org">www.vsacfederalloans.org</a>	
	<b>KSA Servicing</b> <a href="http://www.ksa.myedloan.com">www.ksa.myedloan.com</a> 1-877-292-4825	
	<b>EDGEducation Loans</b> <a href="http://www.EDGEducationloans.myedloan.com">www.EDGEducationloans.myedloan.com</a> 1-877-292-7470	
	<b>COSTEP</b> <a href="http://www.costep.myedloan.com">www.costep.myedloan.com</a> 1-877-292-8639	

# LOAN TYPES & INTEREST RATES

	In-school, Grace & Deferment	Forbearance & Repayment
Stafford Loans (on or after 7/1/06) (FFELP)	6.8% Fixed 6 month grace	6.8% Fixed
Stafford Loans (between 7/1/98 & 6/30/06)* (FFELP)	1.79% Variable 6 month grace	2.39% Variable
Grad PLUS Loans (FFELP)	8.5% Fixed 6 month defer	8.5% Fixed
Direct Subsidized & Unsubsidized Direct PLUS Loans (ED)	6.8% Fixed 7.9% Fixed 6 month defer	7.9% Fixed
Perkins – medical – (ED)	0% - 9 month grace	5% Fixed
LDS – medical, only – (HRSA)	0% - 12 month grace	5% Fixed
PCL – medical, only – (HRSA) may NOT be consolidated!!!	0% - 12 month grace	5% Fixed
Private Loans**	Variable	Check the promissory note.
Institutional Loans	Varies by school	Check the promissory note.
Consolidations Loans	Fixed rate – based on <u>weighted average interest of all loans.</u>	Fixed rate – based on <u>weighted average interest of all loans.</u>

\*Variable rates change every July 1 based on the 91-day treasury bill.

\*\*Private & alternative loans typically carry a variable rate that may be higher than federal student loans & float with the market.

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# PRIVATE & INSTITUTIONAL LOANS

## PRIVATE LOANS:

- usually, unsubsidized through repayment
- will not show up on NSLDS
- grace period/forbearance may be available
- **NOT ELIGIBLE FOR** Federal Direct Loan Consolidation hence, not eligible for IBR or PSLF

## INSTITUTIONAL LOANS:

- usually, subsidized through repayment or a specific period of time
- will not show up on NSLDS
- grace period/forbearance usually available
- **NOT ELIGIBLE FOR** Federal Direct Loan Consolidation hence, not eligible for IBR or PSLF

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**\*PRIVATE consolidation can be VERY costly depending on who you consolidate with**

DISCHARGE OF (all Federal & most  
Institutional) STUDENT LOANS

**Death or total &  
permanent disability**

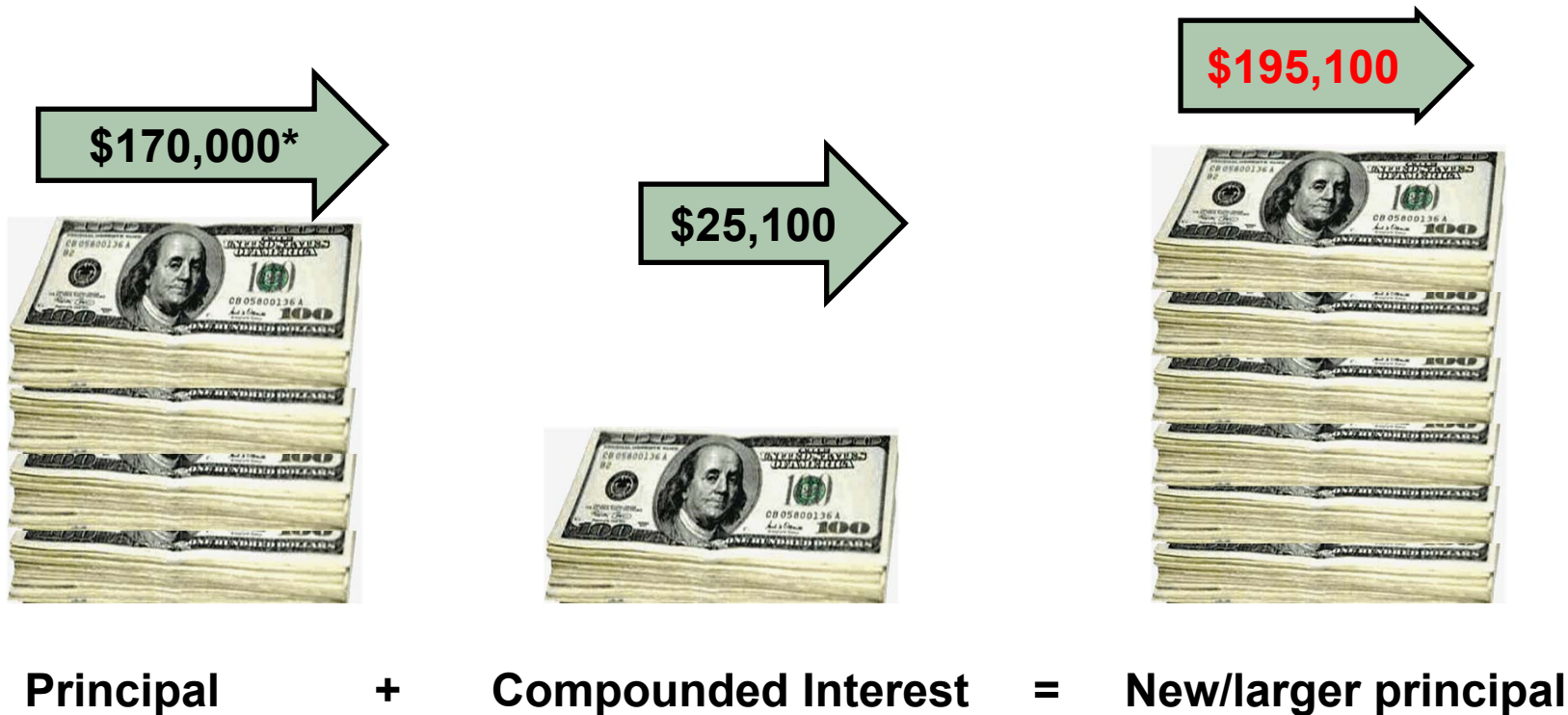


**Identity theft**

**Bankruptcy (RARELY)**

# COMPOUNDING INTEREST

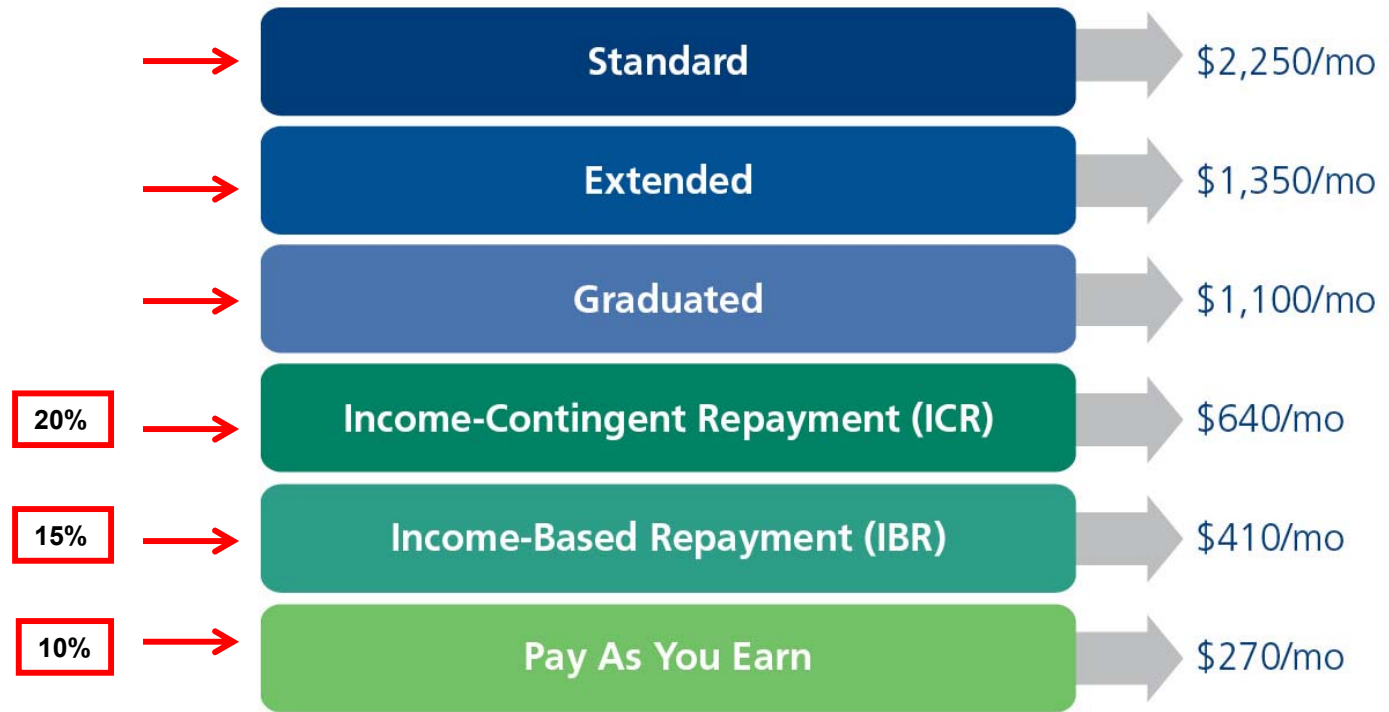
→ be mindful of **PRINCIPLE OF COMPOUNDING/CAPITALIZING INTEREST** ..... on your student loans and ..... avoid it, if possible!!!



**\*2012 AAMC Average Medical School Debt – All Schools**

# REPAYMENT PLANS

Determines the payment amount & interest cost



**Based on \$170,000/\$195,100** (4 years in school and 6 month grace before entering repayment).

## FUTURE VALUE CALCULATION

- **Current age:** 25
- **Years for projection (retire at 65):** 40
- **(Average) rate of return:** 8%
- **Beginning value:** \$1,000
- **Contribute \$360/month:** \$4,320/yr
- **Total invested:** **\$173,800**
- **Future value:** **\$1,140,849**

**REMEMBER, IT'S ABOUT TIME IN THE MARKET NOT TIMING THE MARKET!!**



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# REPAYMENT STRATEGIES ....

- **DEPENDS on YOUR personal financial goals**
    - (always) pay down the **most expensive** loans (and/or **credit cards**), **first!!!**
      - (\*UNLESS, you're applying for Public Service Loan Forgiveness - PSLF)
  
  - **TRY to pay the interest on loans BEFORE they “compound” or “capitalize” (especially, private loans)**
    - (\*UNLESS, you're applying for Public Service Loan Forgiveness - PSLF)
  
  - **MAKE extra principal loan payments, if you can**
    - (\*UNLESS, you're applying for Public Service Loan Forgiveness – PSLF)
  
  - **PICK the appropriate loan repayment option**
    - and remember, you can change your mind & switch plans or even pre-pay
-

# COMPARING Income-Driven PLANS

	PAYE	IBR	ICR
<b>Eligibility</b>			
Eligible Loans	<b>Direct Loans</b>	<b>Direct Loans &amp; FFEL Loans</b>	Direct Loans
Must be a "New Borrower"	<b>Yes *</b>	No	No
<b>Payment Formula</b>			
Protected Income	150% of poverty guideline	150% of poverty guideline	100% of poverty guideline
Affordable Payment	<b>10% of discretionary income</b>	<b>15% of discretionary income</b>	<b>20% of discretionary income</b>
<b>Benefits</b>			
Partial Interest Subsidy	Yes (first 3 years)	Yes (first 3 years)	Yes (first 3 years)
Loan Forgiveness	Balance after 20 years (240 qualifying payments) -10 years if PSLF	Balance after 25 years (300 qualifying payments) -10 years if PSLF	Balance after 25 years (300 qualifying payments) -10 years if PSLF

\*New borrower:

1) No Direct or FFEL loans/balance as of 10/1/07 **AND**

2) Received Sub, Unsub, GradPlus disbursement on/after 10/1/2011 or Direct Consolidation based on application received on/after 10/1/11



My Account

Learn More

Tools and Resources

Managing Repayment

FAQs

Contact Us

**Manage My Direct Loan**

**Sign In**

Use your PIN to sign in  
[Why am I signing in?](#)

- Entrance Counseling
- Sign Master Promissory Note
- Complete PLUS Request Process
- Financial Awareness Counseling
- Endorse Direct PLUS Loan
- IBR/Pay As You Earn/ICR Repayment Plan Request

*Visit the PIN site if you are a new user or have forgotten your PIN.*



**Learn More**

- » [Find Information about Student Aid Programs](#)
- » [Recent Changes to the Student Aid Programs](#)
- » [Impact of Sequestration on Federal Student Aid Programs](#)
- » [Direct Loan Overview](#)
- » [What you Need for Direct Loans](#)
- » [What to Expect for Direct Loans](#)
- » [Glossary](#)

**Tools and Resources**

- » [Apply for PIN](#)
- » [FAFSA](#)
- » [Financial Awareness Counseling](#)
- » [Exit Counseling](#)
- » [Direct Loan Consolidation](#)
- » [My Financial Aid History](#)

**Managing Repayment**






- » [Repaying Your Loans](#)
- » [Repayment Plans & Calculators](#)
- » [Trouble Making Payments?](#)
- » [Loan Discharge](#)
- » [Public Service Loan Forgiveness](#)
- » [Teacher Loan Forgiveness](#)
- » [Loan Servicers](#)

**U.S. Department of Education  
FSA Ombudsman Group  
830 First Street, N.E.  
Fourth Floor  
Washington, DC 20202-5144  
Phone: 877-557-2575**

Prepare for College Types of Aid Who Gets Aid FAFSA: Apply for Aid Repay Your Loans

Minds can achieve anything. We make sure they get to college.

At Federal Student Aid, we make it easier to get money for higher education.

 <p><b>HOW DO I PREPARE FOR COLLEGE?</b></p> <p>Learn about exploring careers, choosing and applying to schools, and taking required tests. Use checklists to help get ready.</p>	 <p><b>WHAT TYPES OF AID CAN I GET?</b></p> <p>Read about the types of financial aid available from the government and other sources: grants, scholarships, loans, and work-study.</p>	 <p><b>DO I QUALIFY FOR AID?</b></p> <p>Most people are eligible for financial aid. Find out who gets aid, how to stay eligible, and how to get eligibility back if you've lost it.</p>	 <p><b>HOW DO I APPLY FOR AID?</b></p> <p>Learn how to submit your <i>Free Application for Federal Student Aid</i> (FAFSA<sup>SM</sup>), how aid is calculated, and how you'll get your aid.</p>	 <p><b>HOW DO I MANAGE MY LOANS?</b></p> <p>Choose a repayment plan, pay on time, avoid default, and get help with problems.</p>
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<http://www.studentaid.ed.gov>

ANNOUNCEMENTS COLLEGE SCORECARD

Prepare for College	Types of Aid	Who Gets Aid	FAFSA: Apply for Aid	Repay Your Loans	More Info
Explore Careers	Grants and Scholarships	Basic Eligibility Criteria	Estimate Your Aid	Making a Payment	About Us
Career Search	Loans	Non-U.S. Citizens	Filling Out the FAFSA	Repayment Plans	Contact Us
Checklists to Get Ready	Work-Study Jobs	Staying Eligible	Dependency Status	Income-Based	Leave Us Feedback

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# INCOME-DRIVEN REPAYMENT

## ■ TO OBTAIN IBR or PAYE:

contact **each servicer, individually** to request IBR or PAYE (if you're not planning on consolidating all loans with one servicer)

OR

if you plan to apply for Public Service Loan Forgiveness, you **MUST consolidate through the Federal Direct Loan Consolidation program** .... [www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov)

**EXCEPTION:** if all of your loans are already with FedLoan Servicing/PHEAA or Sallie Mae

you will need to inform lenders/DOE, annually, of family size vs income

give lenders/DOE permission to access tax returns

demonstrate a Partial Financial Hardship (PFH)

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**Payment supposed to be based on 2 most recent tax year returns (2011 & 2012!!)**

# WWW.IBRINFO.ORG

IBRinfo :: Help is here! - Windows Internet Explorer

http://www.ibrinfo.org/

File Edit View Favorites Tools Help

Search Ask Facebook Listen to music Amazon YouTube 10° Cedar Crest, NM CNN Fun Games Celebrity Options

Favorites Loan History (LISA M SAID) Citrix Off-Campus Citrix On-Campus PowerChart Off-Campus Help Desk HSLIC MyUNM UNMH Intranet Upgrade Your Browser

IBRinfo :: Help is here!

IBR info

An independent, nonprofit source of information about new federal student loan payment and forgiveness programs.

Home About What are these programs? Can they help me? How do I get them? Updates FAQ

Help is here!

**IBR calculator**  
updated for July 1, 2010

**register and stay informed**

your email address here

your zip code here

**Excellent resource for IBR and PSLF information & calculations!**

**Income-Based Repayment (IBR)** is a new way to make your federal student loan payments more manageable. And if you're a teacher or work in government or at a nonprofit (501(c)(3)) organization, you might qualify for a new type of **public service loan forgiveness (PSLF)** after 10 years of eligible payments and employment.

Ditch Your Debt Gremlin

Internet | Protected Mode: On 100%

3:02 PM 1/27/2012

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# PUBLIC SERVICE LOAN FORGIVENESS – (PSLF)

■ Created to encourage individuals to enter & continue to work full-time in public service jobs and provides for forgiveness of remaining balance after 120 payments have been made (**amount forgiven is NOT taxed – under current law!!**):

120 required payments must be made under one or more of the following Direct Loan Program repayment plans:

- Income Based Repayment (IBR) Plan
- Income Contingent Repayment (ICR) Plan
- Pay As You Earn (PAYE) Plan
- Standard Repayment Plan with a 10-year repayment period
- Any Direct Loan Program repayment plan payment (after 7/1/10).

**NO DEFAULTED LOANS!!**

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# PUBLIC SERVICE LOAN FORGIVENESS – (PSLF) – ELIGIBLE JOBS

- **IF YOU:**
    - are employed by any nonprofit, tax-exempt 501(c)(3) organization;
    - are employed by the federal government, a state government, local government, or tribal government (this includes the military and public schools and colleges); or
    - serve in a full-time AmeriCorps or Peace Corps position.
  
  - If **you don't meet** these criteria, the Department of Education's regulations create a two-part test of other circumstances under which you may still be eligible:
    - (1) your employer is *not* "a business organized for profit, a labor union, a partisan political organization, or an organization engaged in religious activities, unless the qualifying activities are unrelated to religious instruction, worship services, or any form of proselytizing;"  
**AND**
    - (2) your employer provides any of the following public services: emergency management; military service; public safety; law enforcement; public interest law services; early childhood education; public service for individuals with disabilities and the elderly; public health; public education; public library services; and school library or other school-based services.
-



# FEDERAL LOAN CONSOLIDATION

## WHY WOULD YOU CONSOLIDATE?

variable rates might be low and you want to “average out” to (possibly) a lower interest rate

you have multiple lenders to repay = **make your life easier!!!**

to obtain **Public Service Loan Forgiveness (MUST** consolidate with Direct Lending - DL)

to make Perkins or LDS loans eligible for PSLF and Income-drive plans

## IMPACT OF CONSOLIDATING

longer repayment term will increase the interest costs\*

maintain ability to prepay or change repayment plan

new loan with new benefits\*\*

may negatively affect grace, deferment, or forgiveness options **of individual loans**

**is an entirely new loan replacing the loans you took out!!**

\*interest rate is weighted average of all loans & rounded up to nearest 1/8

\*\*likely to forfeit borrower benefits depending on when you consolidate

[www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov)

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# MANDATORY MEDICAL RESIDENCY FORBEARANCE

- Used to postpone payments **(but, only use if absolutely necessary)**

Interest accumulates on sub and unsubsidized loans

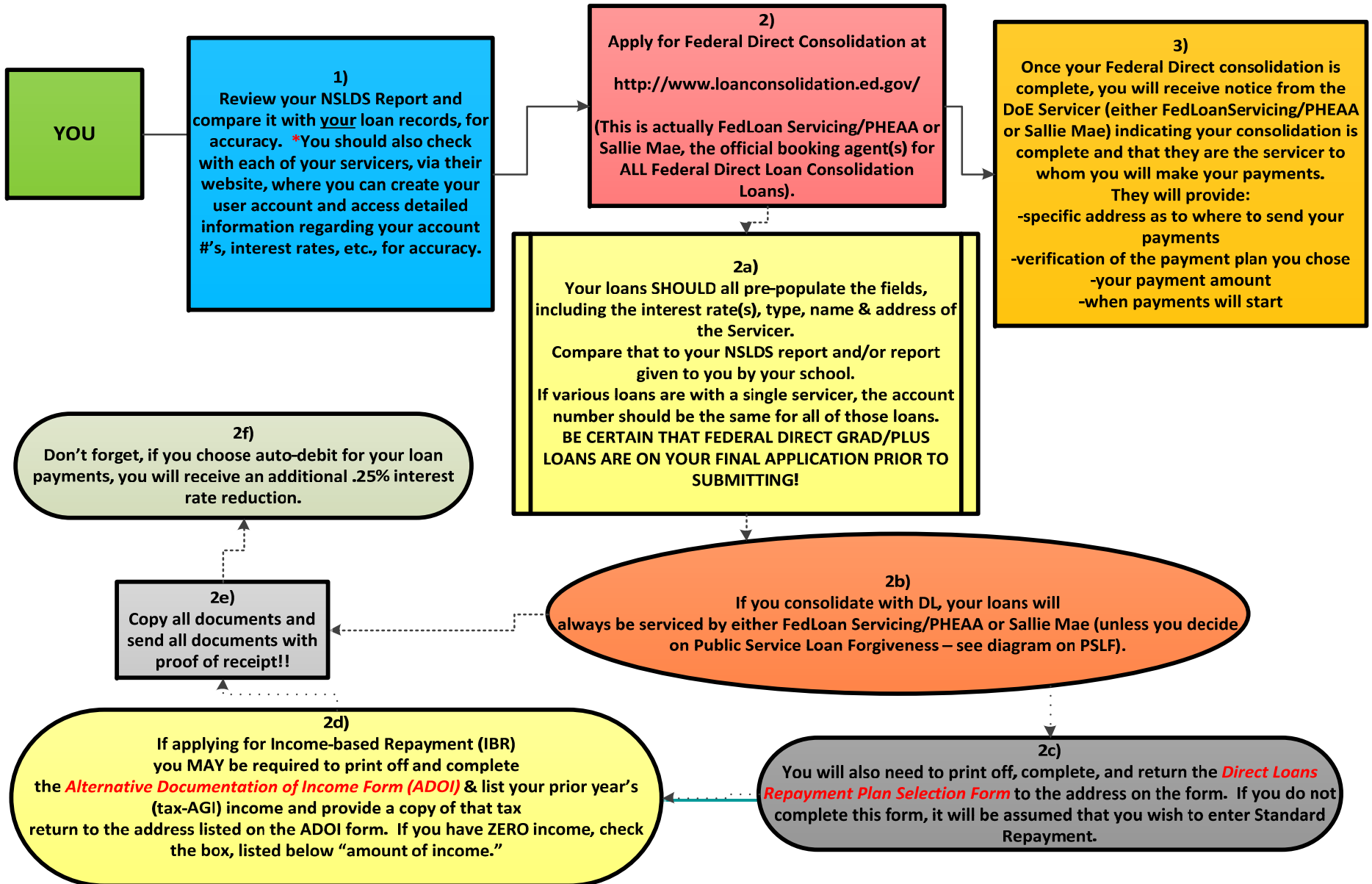
Must request annually from lender & they **MUST** provide it for up to 3 years

Continuous periods may avoid capitalization\*

**\*Check your servicer's capitalization policy!!!**

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FEDERAL DIRECT LOAN CONSOLIDATION -  
You **MUST** consolidate with FDLC if you plan to apply for **Public Service Loan Forgiveness (PSLF)** - 2013



# PUBLIC SERVICE LOAN FORGIVENESS - 2013

YOU

1)  
AFTER you have been notified that your Federal Direct Consolidation Loan is complete (by either FedLoan Servicing/PHEAA or Sallie Mae) & that they are your Federal Direct Loan Consolidation Servicer ...

2)  
THEN, submit the  
*Public Service Loan Forgiveness (PSLF) Certification of Employment Form* to  
FedLoan Servicing/PHEAA  
at  
PO Box 69184  
Harrisburg, PA 17106-9184  
(see 2a and 2b, below)  
*\*(after it is completed by the GME Office)*

3)  
If FedLoan Servicing/PHEAA is NOT already your (new) servicer, they will request that Sallie Mae transfer servicing of your loans to them, making FedLoan Servicing/PHEAA your new loan servicer. You should receive notification of this from FedLoan Servicing/PHEAA.

1a)  
Check your credit report (just choose one of the credit reporting agencies) at  
[www.annualcreditreport.com](http://www.annualcreditreport.com)  
make sure all of your prior loans are listed but zero'ed out & indicate "pays as agreed" - you will then see your new Consolidation loan with FedLoan Servicing/PHEAA or Sallie Mae as the Servicer.

2a)  
You can obtain the Public Service Loan Forgiveness (PSLF) forms at:  
<http://hsc-blogs.health.unm.edu/financialaid/>  
or  
<http://studentaid.ed.gov/repay-loans/forgiveness-cancellation/charts/public-service>

3a)  
ELIGIBLE REPAYMENT PLANS:  

- Income-Based Repayment (IBR)
- Pay As You Earn (PAYE)
- Income-Contingent Repayment (ICR)
- Standard Repayment

2b)  
While you are in residency, the form will need to be certified by the \*Graduate Medical Education Office (GME).  
After the form is completed, be sure to make a copy and file it away with your consolidation paperwork. **I would send the form requiring some proof of "received" receipt.**

3b)  
ELIGIBLE EMPLOYMENT OPPORTUNITIES:  

- Any nonprofit, tax-exempt 501(c)(3) organization
- Federal government
- State or local government
  - Tribal government
- Military, public schools, and colleges
- Full-time AmeriCorps or Peace Corps

3c)  
Complete the *Public Service Loan Certification of Employment Form* **YEARLY** while employed by an eligible agency and paying under one of the eligible repayment plan options ... **copy, copy, copy!**

# Direct Consolidation Loans

CONSOLIDATION HOME | APPLICATION HOME | FORMS & PUBLICATIONS | FAQs | CONTACT US

Welcome borrowers, schools and loan holders to the ...  
Federal Direct Consolidation Loans  
Information Center

\*\*\*\*\*

Interested in repaying your Direct Consolidation Loan under the new Pay As You Earn Repayment Plan?

CLICK [HERE](#) for important information!

\*\*\*\*\*

## BORROWER SERVICES



## SCHOOL SERVICES



## LOAN HOLDER SERVICES



GLOSSARY | ABOUT CONSOLIDATION | PRIVACY NOTICES | SITE REQUIREMENTS

This is where you complete your Federal Direct Loan consolidation [www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov)

Federal Direct Consolidation Loans Information Center

- BORROWER INFO**
- Should I Consolidate?
- How Do I Benefit?
- Am I Eligible?
- What Loans Can I Consolidate?
- How Do I Apply?
- How Do I Update or Correct My Application?
- What is the Status of My Application?
- What are My Rights and Responsibilities?
- ADDITIONAL RESOURCES**
- Direct Loan Servicing
- NSLDS
- ED.GOV
- Online Calculator
- PIN Request & Information
- Students.Gov
- English Español

Welcome Applicants!

**Sign In** Use your Federal Student Aid PIN to sign in [Why am I signing in?](#)

\*\*\*\*\*

**Interested in repaying your Direct Consolidation Loan under the new Pay As You Earn Repayment Plan?**

**CLICK HERE for important information!**

\*\*\*\*\*

You may be able to combine your existing Federal education loans into one new consolidated loan that offers several advantages. Click on "Borrower Info" topics to the left for more information about advantages of consolidation.

Here you will find what borrowers need to know about Direct Consolidation Loans. If you don't find it here, [Ask Us](#).

**Income-Based Repayment (IBR) Plan Available!**

If you would like eligibility information or to take advantage of this repayment option, [Click Here](#) for more information.

<p><b>1</b> Before Beginning</p> <p><u><b>Get organized!</b></u></p> <p>To help you decide if you want to consolidate and/or to simplify the application process, gather and read required documents and other information ahead of time.</p> <ul style="list-style-type: none"> <li>• <a href="#">Application and Promissory Note</a></li> </ul>	<p><b>2</b> Apply Online</p> <p><u><b>Complete the application!</b></u></p> <p>The process asks about you, your financial information, references and more.</p> <ul style="list-style-type: none"> <li>• <a href="#">Apply Online and E-sign Your Promissory Note</a></li> </ul>	<p><b>3</b> Follow-up</p> <p><u><b>Post-Application Activities!</b></u></p> <p>You can check the status of your application, retrieve your submitted E-signed Promissory Note, application data, and other information.</p> <ul style="list-style-type: none"> <li>• <a href="#">What Happens After I Apply?</a></li> </ul>
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Get organized – NSLDS report & any other qualifying loans with account #'s, servicers, etc., and your references .....

Begin application process!!



Federal Direct Consolidation Loans Application and Promissory Note

OMB No. 1845-0053  
Form Approved  
Exp. Date 11/30/2010

Borrower Information

Please provide the following information about yourself.



Customer Service



Save application



Exit application

Name (First, MI, Last):

Social Security #:

Re-enter Social Security #:

Permanent Street Address:

City:

State, ZIP Code: CLICK HERE

Home Telephone #: ( ) -

E-mail Address (optional):

(If you provided us with a valid e-mail address, we will send you an e-mail confirmation upon receipt of your application.)

Former Name(s):

Date of Birth (MM/DD/CCYY):

Driver's License State: CLICK HERE

Driver's License #:

Employer's Name:

Employer's Address:

Employer's City:

Employer's State, ZIP Code: CLICK HERE

Employer's Telephone #: ( ) -

This should cause your loan information to pre-populate.

BACK

CONTINUE



### Reference Information

Enter the requested information for two relatives or acquaintances who do **not** live with you and who have known you for at least three years. References may **not** live outside the United States.



Customer Service

Save application

Exit application

**References for skip-tracing.**

**Reference 1:**

Name (First, MI, Last):

Permanent Street Address:

City:

State, ZIP Code:    -

Telephone #: (  )  -

E-Mail Address:

Relationship to Borrower:

**Reference 2:**

Name (First, MI, Last):

Permanent Street Address:

City:

State, ZIP Code:    -

Telephone #: (  )  -

E-Mail Address:

Relationship to Borrower:

BACK

CONTINUE



Federal Direct Consolidation Loans Application and Promissory Note

Loan Information

Please answer the following questions for every education loan you have.

1. ENTER INFORMATION ABOUT ALL YOUR EDUCATION LOANS EVEN IF YOU DO NOT WANT TO INCLUDE SOME OF THEM IN YOUR NEW CONSOLIDATION.
2. For each loan, you will be able to specify whether or not you want it included in the new Direct Consolidation Loan.
3. The values you enter will be validated with your current loan holder(s), so the total of your new Direct Consolidation Loan may differ from the numbers shown here.

Click on the 'Enter Another Loan' button to enter information for another loan. Once you have entered information for all your education loans, click on the 'Continue' button to proceed to the next section of the application.



Display loans currently entered - 0

Search for lender

Delete this loan entry

Customer Service

Save application

Exit application

Please select your lender's name from the "Select Lender" drop-down list (recommended) or enter your lender's name and payment address which appears on your statement.

CLICK HERE - Select Lender

Lender Name: [input field]

Address: [input field]

City: [input field]

State, ZIP Code: CLICK HERE [dropdown] [input] - [input]

Telephone #: ( [input] ) [input] - [input]

Loan Type: CLICK HERE [dropdown]

Account #: [input field]

Estimated Payoff Amount: [input] . [input]

Interest Rate: [input field]

Do you want to include this loan in your consolidation? Yes [dropdown]

BACK

ANOTHER LOAN

CONTINUE

Go slow and be careful when selecting the loan type. It is NOT alphabetical & you have to differentiate between Direct loans & FFEL loans, etc., which are all identified on your NSLDS report. SEE NEXT SLIDE FOR SELECTION OPTIONS.

Should pre-populate.



Federal Direct Consolidation Loans Application and Promissory Note

Loan Information

Please answer the following questions for every education loan you have.

1. ENTER INFORMATION ABOUT ALL YOUR EDUCATION LOANS EVEN IF YOU DO NOT WANT TO INCLUDE SOME OF THEM IN YOUR NEW CONSOLIDATION.
2. For each loan, you will be able to specify whether or not you want it included in the new Direct Consolidation Loan.
3. The values you enter will be validated with your current loan holder(s), so the total of your new Direct Consolidation Loan may differ from the num

Click on the 'Enter Another Loan' button to enter inform information for all your education loans, click on the 'Co the application.



Display loans currently entered - 0

Search for lender

Delete this loan entry

Customer Service

Save application

Exit application

Please select your lender's (recommended) or enter yo appears on your statement.

CLICK HERE - Select Lender

Lender Name:

Address:

City:

State, ZIP Code:

Telephone #:

Loan Type:

Account #:

Estimated Payoff Amount:

Interest Rate:

Do you want to include this loan in your consolidation? Yes

BACK

ANOTHER LOAN

CONTINUE

Loan selection options – these are NOT alphabetical so be careful as you make your selection.


- CLICK HERE
- A-Subsidized Federal Stafford Loans
- B-Guaranteed Student Loans(GSL)
- C-Federal Insured Student Loans(FISL)
- D-Direct Subsidized Loans
- E-Direct Subsidized Consolidation Loans
- F-Federal Perkins Loans
- G-Unsubsidized Federal Stafford Loans
- H-Federal Supplemental Loans for Students(SLS)
- J-Unsubsidized Federal Consolidation Loans
- K-Direct Unsubsidized Consolidation Loans
- L-Direct Unsubsidized Loans
- M-National Direct Student Loans(NDSL)
- N-National Defense Student Loans(NDSL)
- O-Subsidized Federal Consolidation Loans
- P-Auxiliary Loans to Assist Students(ALAS)
- Q-Health Professions Student Loans(HPSL)
- R-Health Education Assistance Loans (HEAL)
- S-Federal GRAD PLUS Loans
- T-Parent Loans for Undergraduate Student(PLUS)
- U-Federal Direct PLUS Loans
- V-Direct PLUS Consolidation Loans
- W-Education loans ineligible for consolidation
- Y-Nursing Student Loans(NSL)
- Z-Loans for Disadvantaged Students (LDS)
- CLICK HERE

Federal Direct Consolidation Loans Application and Promissory Note

### Repayment Plan Introduction

You can choose one from among several repayment plans for your new Direct Consolidation Loan. To help you decide, we will estimate your monthly payment amount, number of months in repayment, and total repayment amount under repayment plans for which you are eligible. You will then be able to select the repayment plan under which you want to repay your loan.

 Customer Service

 Save application

 Exit application

If you do not select a repayment plan, one will be selected for you. Enter information below:

To receive .25% interest rate reduction.

#### Repayment Incentives

Do you plan to enroll in the **Electronic Debit Account (EDA)** plan

#### Income Contingent Repayment Plan

Under the Income Contingent Repayment (ICR) Plan, monthly payments are based on your annual adjusted gross income, Direct Loan balance and family size, and are spread over a term of up to 25 years. To provide you with estimates under the ICR Plan, we need certain information. If you leave this information blank, we will not be able to provide you with estimates under the ICR Plan.

**If you want to consolidate any defaulted loan(s) and you have not made a satisfactory repayment arrangement with your current loan holder(s), enter the information below and select the ICR Plan on the next page.**

#### Income-Based Repayment Plan

Under the Income-Based Repayment (IBR) Plan, monthly payments are based on annual income and family size, and spread over a term of up to 25 years. You must be experiencing a partial financial hardship to initially select this plan and once you select this plan you cannot change to any other plan except the Standard Plan. To provide you with estimates under the IBR Plan, we need certain information. If you leave this information blank, we will not be able to provide you with estimates under the IBR Plan.

**If you want to consolidate your loans and repay under the IBR Plan, enter the information below and select the IBR Plan on the next page.**

**Adjusted Gross Income (AGI)** (Applicant)

**Adjusted Gross Income (AGI)** (Spouse if married)

**Are you married, head of household, or single?**

**Family Size** (including yourself)

If married, you and your spouse file federal income tax jointly

Enter 2012 tax return AGI.

BACK

CONTINUE

Federal Direct Consolidation Loans  
Application and Promissory Note

### Repayment Plan Selection

This page provides estimated monthly payments for the different repayment plans to help you select the appropriate plan for your new Direct Consolidation Loan. To qualify for the Extended Plan (Fixed and Graduated Monthly Payment Options), the sum of your estimated new Direct Consolidation Loan and other Direct Loans must be greater than \$30,000.



Customer Service



Save application



Exit application

**If you want to consolidate defaulted loan(s) and you have not made a satisfactory repayment arrangement with your current loan holder(s), you must select the Income Contingent Repayment (ICR) Plan.**

**Estimated Interest Rate - Consolidation Loan** 5.625%

**Estimated Total Loan Balances**  
Total Consolidation Loan Amount \$58,516.00  
Total Education Indebtedness \$58,516.00

**For ICR and IBR Plans**  
Adjusted Gross Income (AGI) (Applicant) \$17,186.00  
Adjusted Gross Income (AGI) (Spouse if married) \$0.00  
Marital Status Single  
Family Size (including yourself) 1  
If married, you and your spouse file Federal income tax jointly (for IBR only)   
State of Residence Continental US

**IBR Plan Estimated Total Loan Balances (see Note 5 below)**  
Total Consolidation Loan Amount \$58,516.00  
Total Education Indebtedness \$58,516.00

Weighted average Interest rate based on YOUR debt.

Check income amount that you entered, carefully.

Repayment Plans	Months in Repayment	Estimated Initial Monthly Payments	Estimated Total Payment (Interest+Principal)	
Standard	300	\$363.72	\$109,116.20	<a href="#">See Detail</a>
Graduated (see Note 1 below)	300	\$274.29	\$119,085.75	<a href="#">See Detail</a>
Extended				
Fixed Monthly Payment Option	300	\$363.72	\$109,116.20	<a href="#">See Detail</a>
Graduated Monthly Payment Option (see Note 1 below)	300	\$274.29	\$119,085.75	<a href="#">See Detail</a>
Income Contingent (see Note 2 below)	300	\$100.27	\$77,387.87	<a href="#">See Detail</a>
Income-Based (see Note 2 below)	300	\$10.00	\$31,461.96	<a href="#">See Detail</a>

Select Your Repayment Plan



Federal Direct Consolidation Loans  
Application and Promissory Note

### IBR Plan - Additional Information Needed

The Repayment Plan you have selected is the IBR Plan. The following information is needed to process your request.

Customer Service

**Family Size** (including yourself)

If married, you and your spouse file federal income tax jointly

Save application

**If you are married and you and your spouse file federal income taxes jointly, please complete**

Exit application

**Spouse's Name**

**Spouse's Social Security Number (SSN)**

 -  - 

**Spouse's Date of Birth (MM/DD/CCYY):**

 /  / 

**IBR Joint Consolidation Loan Repayment.** If you and your spouse have an eligible joint consolidation loan that you want to repay under the IBR Plan, place an "X" in the box below. Both you and your spouse must have a partial financial hardship to repay an eligible joint consolidation loan under IBR.

I wish to repay my loan(s) jointly with my spouse under the IBR Plan.

BACK

CONTINUE

Dependents count to lower IBR.

You CANNOT (nor should you) consolidate with your spouse.

Federal Direct Consolidation Loans Application and Promissory Note

IBR Plan - Additional Information Needed (Continued)

Enter your income information on this page. NOTE: You must list all taxable income you are currently receiving (i.e., income from employment, unemployment income, dividend income, interest income, tips, alimony). Include the amount of money received, how often you receive this money, and your employer (if any) or the source of your income if you are not employed. Provide sources of income, but do not report untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.

- Customer Service
- Save application
- Exit application

Borrower Income

Amount of Income	Pay Frequency	Employer or Source of Income	
<input type="text"/>	CLICK HERE ▾	<input type="text"/>	<input type="button" value="ADD"/>

Check this box if you do not have any taxable income and receive only untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.

Spouse Income (If married and you and your spouse file joint federal income tax returns)

Amount of Income	Pay Frequency	Employer or Source of Income	
<input type="text"/>	CLICK HERE ▾	<input type="text"/>	<input type="button" value="ADD"/>

Check this box if your spouse does not have any taxable income and receives only untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.

Borrower Income

Amount of Income	Pay Frequency	Employer or Source of Income	
\$17,000.00	Yearly	University of New Mexico HSC	<input type="button" value="REMOVE"/>

Enter 2012's AGI tax return figure.

Loan Information **MODIFY**

**Loan(s) You Want to Consolidate**

**Loan 1** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: L-Direct Unsubsidized Loans  
Account #: [REDACTED] Balance: 8385.00 To Be Consolidated: YES  
Interest Rate: 6.8

**Loan 2** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: D-Direct Subsidized Loans  
Account #: [REDACTED] Balance: 4480.00 To Be Consolidated: YES  
Interest Rate: 3.4

**Loan 3** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: D-Direct Subsidized Loans  
Account #: [REDACTED] Balance: 5500.00 To Be Consolidated: YES  
Interest Rate: 4.5

**Loan 4** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: L-Direct Unsubsidized Loans  
Account #: [REDACTED] Balance: 7793.00 To Be Consolidated: YES  
Interest Rate: 6.8

**Loan 5** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: A-Subsidized Federal Stafford Loans  
Account #: [REDACTED] Balance: 5221.00 To Be Consolidated: YES  
Interest Rate: 5.6

**Loan 6** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: G-Unsubsidized Federal Stafford Loans  
Account #: [REDACTED] Balance: 8261.00 To Be Consolidated: YES  
Interest Rate: 6.8

**Loan 7** **MODIFY**

Lender: DIRECT LOAN SERVICING CENTER - DEPARTMENT OF ED Phone #: (800)848-0979  
Address: PO BOX 4609  
City: UTICA State: NEW YORK Zip Code: 13504-4609  
Loan Type: D-Direct Subsidized Loans  
Account #: [REDACTED] Balance: 1000.00 To Be Consolidated: YES

This SHOULD be pre-populated BUT, if any loan is not included OR if it's LDS, HPSL, NSL, etc., you will have to enter EACH loan, the lender, the account # & the interest rate.

You may NOT include private or institutional loans OR Parent-PLUS loans for consolidation.

## Repayment Plan Selection Information

MODIFY

Repayment Plan Selected:

Income Based

Make sure this reflects the repayment plan you chose.

## IBR Plan Information

MODIFY

Are you married, head of household, or single?

Single

Family Size (including yourself)

1

If married, you and your spouse file federal income tax jointly

Spouse's Name

N/A

Spouse's Social Security Number (SSN)

N/A

Spouse's Date of Birth

N/A

I wish to repay my joint consolidation loan(s) with my spouse under the IBR Plan.

◀ BACK

CONTINUE ▶





Federal Direct Consolidation Loans Application and Promissory Note

APPLICATION INFO

- What To Expect
- What You Need
- Rights and Responsibilities
- Certification and Authorization
- Loan Terms
- Privacy Act and Other Important Notices

STEP 5 Sign Your Promissory Note

Please read the Promise to Pay statement below, then sign your online combined consolidation application and promissory note by entering your full name. Your typed name will serve as your signature for this online combined consolidation application and promissory note. If you do not want to sign this application and promissory note, click "EXIT" to cancel this online combined consolidation application and promissory note and exit the process.

If you need to modify any of your information, click "EXIT" to return to the Borrower Information page.

[You will notice that the Promise to Pay Statement refers to information "on the reverse side." This is because we are required to present you with the Promise to Pay statement exactly as it appears on the paper application and promissory note.]

Promise to Pay

I promise to pay to the U.S. Department of Education (ED) all sums disbursed under the terms of this Note to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note. If I do not make payments on this Note when due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees.

If ED accepts my application, I understand that ED will on my behalf send funds to the holders of the loans that I want to consolidate to pay off those loans. I further understand that the amount of my Direct Consolidation Loan will equal the sum of the amounts that the holders of the loans verified as the payoff balances on the loans selected for consolidation. My signature on this Note serves as my authorization to pay off the balances of the loans selected for consolidation as provided by the holders of the loans.

The payoff amount may be greater than or less than the estimated total balance I have indicated in Section C1. Further, I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of my Direct Consolidation Loan.

I will not sign this Note before reading the entire Note, even if I am told not to read it. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities Statement. My signature certifies that I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations in Section E, and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THAT THIS IS A FEDERAL LOAN THAT I MUST REPAY.

First: [input] M.I.: [input] Last: [input]

(The time and date of your signature will be recorded and be made part of your completed online combined consolidation application and promissory note.)

This relates to an electronic signature.

EXIT CONTINUE



## Federal Direct Consolidation Loans Application and Promissory Note

### APPLICATION INFO

[What To Expect](#)[What You Need](#)[Rights and Responsibilities](#)[Certification and Authorization](#)[Loan Terms](#)[Privacy Act and Other Important Notices](#)

### STEP 6 *Review Signed Promissory Note*



Please review the complete contents of the Adobe PDF version of your signed consolidation application and promissory note.

1. Read these directions, then open the Adobe PDF version of your signed application and promissory note by clicking "Continue" below.
2. Review all the information that you have entered once again.
3. Review all sections of the application and promissory note once again.
4. Find the 3-character Confirmation Code located at the end of your signed application and promissory note. It will look like this: "Your application and promissory note Confirmation Code is \*\*\*."
5. **Write down your Confirmation Code.** You will need to enter the code after you finish reviewing your signed application and promissory note.
6. Close the Adobe PDF version of your signed application and promissory note.

After you close the Adobe PDF version of your signed application and promissory note, you will confirm that you have reviewed your application and promissory note and will enter your Confirmation Code. To cancel your electronic consolidation application and promissory note and exit this process, click "EXIT".



**Write down  
your confirmation  
code.**



### Federal Direct Consolidation Loans Application and Promissory Note

**APPLICATION INFO**

What To Expect

What You Need

Rights and Responsibilities

Certification and Authorization

Loan Terms

Privacy Act and Other Important Notices

#### STEP 6 Review Signed Promissory Note (continued)



Please read the statement below and enter the Confirmation Code from your signed online combined consolidation application and promissory note. When done, click the "Continue" button to proceed to Step 7. To cancel your online combined consolidation application and promissory note and exit this process, click "EXIT."

#### Review Signed Application and Promissory Note [PDF | 142KB]

(This document will take approximately 30 sec. to load over a 56Kbps connection.)

**I have reviewed the information about me on this online combined consolidation application and promissory note and acknowledge that it is true and correct. I have read, understand, and agree to the Borrower Understandings, Certifications, and Authorizations, the Promise to Pay, and the Disclosure of Loan Terms. My online combined consolidation application and promissory note Confirmation Code is:**

(Your response will be recorded and be made part of your completed online combined consolidation application and promissory note.)

◀ EXIT

CONTINUE ▶

This is where you enter your borrower confirmation code.



Federal Direct Consolidation Loans  
Application and Promissory Note

APPLICATION INFO

- What To Expect
- What You Need
- Rights and Responsibilities
- Certification and Authorization
- Loan Terms
- Privacy Act and Other Important Notices

**STEP 8** Success! Now Print Your Promissory Note

**Thank you!** We will send confirmation of your signed online combined consolidation application and promissory note to you if you provided an e-mail address during the application process. Before you leave this site, please do the following:

1. **Print, Sign, and Mail Additional Forms** (as directed in the Action Needed column below) to the Consolidation Department address below **within 14 days** for us to continue processing your application.
2. **Clear your Web browser** to remove your personal information from this computer. This is especially important if this computer does not belong to you or if you share it with others.
3. **Print and/or save a copy of your application and promissory note for your records.** You may also return at a later date to retrieve and print your application and promissory note by using the "Retrieve an application and promissory note" link from the Application home page. We have provided you with a link to your final application and promissory note below.



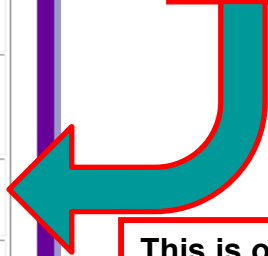
Consolidation Application Item Required	Action Needed	Print Now
Items Required to Sign and Mail	N/A	<a href="#">Next Steps</a>
Promissory Note	None - Already Submitted Online (DO NOT MAIL)	<a href="#">Signed Promissory Note (Final Version)</a>
Application Data - <b>remember that the loans, amounts and interest rates on your application are estimates only and subject to validation</b>	None - Already Submitted Online (DO NOT MAIL)	<a href="#">Application Data</a>
Repayment Plan Selection form*	None - Already Submitted Online (DO NOT MAIL)	<a href="#">Signed Repayment Plan Selection Form</a>
ICR Plan & IBR Plan Alternative Documentation of Income form	<b>You must sign and mail to us</b>	<a href="#">ICR Plan &amp; IBR Plan Alternative Document of Income Form</a>

\* NOTE: For your information only, a Repayment Plan Choices insert is also provided to help you decide which plan to select. This insert does not need to be returned to us.

Once you have signed documents that still need to be submitted (see Action Needed column above), mail them to:

**U.S. Department of Education  
Consolidation Department**

**NOT TRUE!!** You **MUST** print the form & sign it, & return it with your tax returns.



This is only true if you do not have proof of tax/income information for the past 2 years or if your income decreases.



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1 / 3 72.3% Find

# Direct Loans

## Federal Direct Consolidation Loan Application and Promissory Note

CAEB No. 184E-0053  
Form Approved

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or any account is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1092.

**Before You Begin**  
 Read the instructions for completing this Federal Direct Consolidation Loan Application and Promissory Note (Note). Print using blue or black ink; you cross out anything and write in new information, put your initials beside the change.

**NOTE:** PAGES 1, 2, and 3 OF THIS NOTE MUST BE SUBMITTED FOR YOUR LOAN REQUEST TO BE PR

**Section A: Borrower Information**

1. Last Name First Name Middle Initial 2. Social Security Number

City State Zip Code

5. E-Mail Address (Optional)

6. Former Name(s) 7. Date of Birth (mm-dd-yyyy)

9. Employer's Name

10. Employer's Address  
 UNIVERSITY OF NEW MEXICO HOSPI 2600 MARBLE  
 City State Zip Code

11. Work Area Code/Telephone Number  
 ALBUQUERQUE NM 87131

**Section B: Reference Information**

12. References: List two persons with different U.S. addresses who do not live with you and who have known you for at least three years.

Name  
 Permanent Address  
 City, State, Zip Code  
 E-Mail Address (optional)  
 Area Code/Telephone Number  
 Relationship to Borrower SISTER FRIEND

**Section C: Education Loan Indebtedness - Loans You Want to Consolidate (continued on page 2)**

*Read the instructions before completing this section.* List each federal education loan that you want to consolidate, including any William D. Ford Federal Direct Loan (Direct Loan) Program loans that you want to include in your Direct Consolidation Loan. If you need more space to list additional loans, use the Additional Loan Listing Sheet included with this Note. List each loan separately. Please print. **IN THIS SECTION, LIST ONLY LOANS THAT YOU WANT TO CONSOLIDATE.**

We will send you a notice before we consolidate your loans. This notice will (1) provide you with information about the loans and payoff amounts that we have verified, and (2) tell you the deadline by which you must notify us if you want to cancel the Direct Consolidation Loan, or if you do not want to consolidate one or more of the loans listed in the notice. The notice will include information about loans eligible for consolidation that you listed in this section. It will also include information about additional loans eligible for consolidation that you did not list in this section, if you have additional eligible loans with a holder of a loan that you listed in this section. See the Instructions for more information about the notice we will send.

13. Loan Code (See Instructions)	14. Loan Holder/Service Name, Address, and Area Code/Telephone Number (See Instructions)	15. Loan Account Number	16. Estimated Payoff Amount
A	NEW MEXICO EDUC ASST FOUND (505)345-3371 3900 OSUNA ROAD, N.E. ALBUQUERQUE, NM 7400 TIBURON NE 87109		\$500.00
A	DEPT OF ED/FEDLOAN SERVICE O- HARRISBURG, PA P.O. BOX 69184 171069184		\$500.00

Submit pages 1, 2, and 3  
 Page 1 of 3

Printed version of what you have entered. Verify all loans!

2 references!!

Should reflect all of your loans & Account #'s!

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File Edit View Document Tools Window Help

1 / 3 72.3% Find

# Direct Loans

## REPAYMENT PLAN SELECTION

### William D. Ford Federal Direct Loan Program

OMB No. 1845-0014  
Form Approved  
Exp. Date 11/30/2013

**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.

**INSTRUCTIONS**

To understand your repayment options, carefully read this entire form, including the important notices in Section 7, and the enclosed information that describes the available repayment plans. After reviewing this information, complete the applicable sections below to select a repayment plan or to change your current repayment plan. Please print clearly using blue or black ink. If you need help completing this form, contact your servicer through one of the methods provided in Section 6 of this form. Return the completed form to the address shown in Section 6.

**Section 1: Borrower Information - to be completed by ALL BORROWERS**

Borrower's Last Name \_\_\_\_\_ First Name \_\_\_\_\_ Middle Initial \_\_\_\_\_ Borrower's Social Security Number \_\_\_\_\_

**Section 2: Repayment Plan Selection - to be completed by ALL BORROWERS**

- Place an 'X' in the box in the chart below under the repayment plan that you wish to select for the types of loans that you owe. The enclosed information describes each of the repayment plans.
- You must choose the same repayment plan for all of your Direct Loans, unless you want to repay under the Income Contingent Repayment (ICR) Plan or Income-Based Repayment (IBR) Plan and you have some loans that may not be repaid under those plans as indicated in the chart below. In this case, you may select the ICR Plan or IBR Plan for the loans that are eligible for repayment under those plans, and may select a different repayment plan for the loans that may not be repaid under ICR or IBR.
- In the chart below, the term 'parent PLUS Loan' refers to a Direct PLUS Loan made under the William D. Ford Federal Direct Loan (Direct Loan) Program or a Federal PLUS Loan made under the Federal Family Education Loan (FFEL) Program that you borrowed to help pay for your dependent child's undergraduate education. A 'student PLUS Loan' is a Direct PLUS Loan or Federal PLUS Loan that you received to pay for your own graduate or professional education. A Direct PLUS Consolidation Loan is a Direct Consolidation Loan made before July 1, 2006 that repaid parent PLUS loans. No Direct PLUS Consolidation Loans have been made since July 1, 2006.
- To repay your loans under the IBR Plan, you must have a partial financial hardship (see Section 5).
- If you are beginning repayment of your loans for the first time and you do not select a repayment plan, or if you select the ICR Plan or IBR Plan but do not submit required additional forms and documentation, you will be placed on the Standard Repayment Plan.
- If you are requesting a change from another repayment plan to the ICR Plan or the IBR Plan and you do not submit required additional forms and documentation, you will remain on your current repayment plan.
- If you are requesting a change from your current repayment plan to a different plan, your servicer may grant you a forbearance for up to 60 days, if necessary, in order to collect and process documentation supporting your request (such as documentation required to process a request to repay under the ICR Plan or the IBR Plan). Unpaid interest that accrues during this maximum 60-day forbearance period will not be capitalized. (Capitalization is the addition of unpaid interest to the principal balance of your loan. This increases the principal balance and the total cost of your loan.)
- If you are delinquent in making payments under your current repayment plan at the time you request a change to a different plan, your servicer may grant you a forbearance to cover (1) any payments that are overdue at the time of your request, or (2) if you are requesting a change to the IBR Plan, any payments that would be overdue by the time your servicer determines whether you have a partial financial hardship (see Section 5), if it takes your servicer more than 60 days to make that determination. Unpaid interest that accrues during this forbearance period may be capitalized at the end of the forbearance period.

Loan Types	Standard	Graduated	Extended		Income Contingent	Income-Based
<ul style="list-style-type: none"> <li>Direct Subsidized Loans</li> <li>Direct Unsubsidized Loans</li> <li>Student Direct PLUS Loans</li> <li>Direct Consolidation Loans that did not repay any parent PLUS loans</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	Fixed Payments <input type="checkbox"/>	Graduated Payments <input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Direct Consolidation Loans made on or after July 1, 2006 that repaid one or more parent PLUS loans</li> <li>Parent Direct PLUS Loans</li> <li>Direct PLUS Consolidation Loans</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	Fixed Payments <input type="checkbox"/>	Graduated Payments <input type="checkbox"/>	<input type="checkbox"/>	Not Available
	<input type="checkbox"/>	<input type="checkbox"/>	Fixed Payments <input type="checkbox"/>	Graduated Payments <input type="checkbox"/>	Not Available	Not Available

**Section 3: Spouse Information - to be completed by SOME MARRIED BORROWERS**

Complete this section only if you are married and are (1) selecting the ICR Plan (unless you are separated from your spouse), (2) selecting the IBR Plan and you and your spouse file a joint federal income tax return, and your spouse has loans that are eligible for repayment under the IBR Plan (see Section 5), or (3) selecting any repayment plan for a Direct Consolidation Loan held jointly by you and your spouse. If you are required to complete this section, your spouse must also sign this form.

Spouse's Last Name \_\_\_\_\_ First Name \_\_\_\_\_ Middle Initial \_\_\_\_\_ Spouse's Social Security Number \_\_\_\_\_ Spouse's Date of Birth (mm-dd-yyyy) \_\_\_\_\_

**Section 4: Additional ICR Information - to be completed by BORROWERS WHO SELECT THE INCOME CONTINGENT REPAYMENT PLAN**

Complete this section only if you are selecting the ICR Plan.

**Note:** To repay under the ICR Plan, you must complete a consent form authorizing the Internal Revenue Service to disclose your adjusted gross income (AGI) and other tax return information, or you must provide other documentation of your AGI, such as a copy of your most recently filed federal income tax return, as specified by your servicer in documentation accompanying this form. In some cases, you may also be required to complete an ICR & IBR Plan Alternative Documentation of Income form. Your servicer will include the required additional forms with this Repayment Plan Selection form or will provide instructions for obtaining the forms. Complete and return the required form(s) or other required documentation along with this Repayment Plan Selection form.

Until your servicer receives the information needed to calculate your ICR Plan payment amount, your initial payment amount will be the full amount of interest that accumulates on your loan each month. If you are beginning repayment of your Direct Loan for the first time and you cannot afford the initial interest payment, you may request a forbearance until you are notified of your actual ICR payment. During a forbearance you are not required to make any payments of principal or interest, but interest continues to accumulate on your loan. Interest that you do not pay during this forbearance period will be capitalized at the end of the forbearance. To request a forbearance, contact your servicer.

**A. Family Size.** Enter your family size on the line below. Your family size includes you and your spouse. It includes your children if they get more than half their support from you. It includes other people only if (1) they now live with you, and (2) they now get more than half their support from you and they will continue to get this support from you. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, payment of college costs, etc. If your family size changes, notify your servicer in writing at the mailing address or the Web site address shown in Section 6.

Family Size: \_\_\_\_\_

**B. ICR Joint Repayment Option.** If you and your spouse each have Direct Loans and both of you want to repay the loans under the ICR Plan, you may choose to repay your loans jointly (see ICR Plan description in the enclosed Repayment Plan Choices sheet). If you choose to repay jointly, place an 'X' in the box below and have your spouse sign and date this form.

I wish to repay my loan(s) jointly with my spouse under the ICR Plan.

**C. Certification.** Read the certification statement below. Then sign and date this form.

All of the information I provided on this form is true and complete to the best of my knowledge. If asked by an authorized official, I agree to provide proof of the information that I have provided on this form.

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_

Spouse's Signature (if required; see Section 3) \_\_\_\_\_ Date \_\_\_\_\_

REVISED 04/2011

You **MUST** print off this form and send it in to address listed in spite of last page of directions which indicates that you do NOT have to send it in!!

Notice ... the repayment option you choose will be listed, here.



Search Site:  
Enter Search Term... Search

FOR BORROWERS | **FOR SCHOOLS** | FOR PARTNERS

Account Access | **Make a Payment** | Manage Account | Billing & Payment Plans | Help Center

### Account Access

Username:

Forgot Username? Sign In

Forgot Password?

**Create an Account**

- Make a Payment
- Change Your Address
- Sign up for Paperless Billing
- View Loan Details

**Learn more about Account Access.**

NEW TO  
FEDLOAN  
SERVICING?

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EASY AND CONVENIENT.

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**Good to Know** Are you having trouble paying? Don't worry, we have [options that can help!](#)

### Help Center

Read our FAQ to find answers to common questions.

Or choose a contact option:

- Email
- Mail/Fax
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### Make a Payment | Manage Account | Billing & Payment Plans

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Find out what special benefits are available for you.

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### Most Requested Forms

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### In Public Service?

You may qualify for loan forgiveness.

[Learn More](#)

**FedLoan Servicing/PHEAA is THE Public Service Loan Forgiveness servicer.**  
**Site address:**  
<http://www.myfedloan.org/>





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# PUBLIC SERVICE LOAN FORGIVENESS – (PSLF) – ELIGIBLE JOBS

- **IF YOU:**
    - are employed by any nonprofit, tax-exempt 501(c)(3) organization;
    - are employed by the federal government, a state government, local government, or tribal government (this includes the military and public schools and colleges); or
    - serve in a full-time AmeriCorps or Peace Corps position.
  
  - If **you don't meet** these criteria, the Department of Education's regulations create a two-part test of other circumstances under which you may still be eligible:
    - (1) your employer is *not* "a business organized for profit, a labor union, a partisan political organization, or an organization engaged in religious activities, unless the qualifying activities are unrelated to religious instruction, worship services, or any form of proselytizing;"  
**AND**
    - (2) your employer provides any of the following public services: emergency management; military service; public safety; law enforcement; public interest law services; early childhood education; public service for individuals with disabilities and the elderly; public health; public education; public library services; and school library or other school-based services.
-



Borrower Name: \_\_\_\_\_ Borrower SSN: \_\_\_\_\_

**SECTION 3: CERTIFICATION OF EMPLOYMENT**  
See Section 3 of the accompanying Instructions for Completing Employment Certification for Public Service Loan Forgiveness for detailed information on completing this section. These instructions are also located at [www.studentaid.gov/publicservice](http://www.studentaid.gov/publicservice).  
An authorized official (see Section 5) of the public service organization at which the borrower is/was employed must complete this section.

- Instructions for Authorized Official:**
- Complete this form only if you are an authorized official of the public service organization at which the borrower identified in Section 1 is/was employed or, if the borrower is/was a full-time AmeriCorps or Peace Corps volunteer, an authorized official of AmeriCorps or the Peace Corps.
  - Read the definitions in Section 5 before completing this form.
  - Type or print using blue or black ink. All fields must be completed if applicable. Your signature date must include month, day, and year (MM-DD-YYYY).
  - Provide all requested information for items 1, 2, and 3 below. Complete the employer's certification at the bottom of this page. The Employment Certification form cannot be processed if the information requested in this section is missing.
  - If you make any changes to the information you provide in this section, you must initial each change.
- Please return the completed form to the borrower. The U.S. Department of Education or the PSLF servicer may contact you for additional information or documentation.
- Instructions for Borrower when there is no Authorized Official:**
- Check this box if you are unable to obtain certification from an authorized official, for example, because the organization no longer exists. Provide all requested information for items 1, 2, and 3 below. For item 1, list the organization's address from when you worked there, and consult your W2 records for the EIN. The Department will require you to submit additional evidence of your qualifying employment. Do not submit supporting documents until requested to do so.

**1. Information about the public service organization at which the borrower is/was employed.**

Public Service Organization Name \_\_\_\_\_ Federally Assigned Employer ID# (EIN) \_\_\_\_\_  
Public Service Organization Address \_\_\_\_\_

**2. Borrower's Employment Status.**

(a) Dates of employment: Start: \_\_\_\_ - \_\_\_\_ - \_\_\_\_ End: \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
(MM-DD-YYYY) (if the borrower is still employed, put today's date)

(b) Borrower's employment status at your organization:

Full-Time Average number of hours per week: \_\_\_\_\_  
 Part-Time Average number of hours per week: \_\_\_\_\_

For purposes of eligibility for PSLF, full-time employment is defined as:  
(1) Working in qualifying employment in one or more jobs for the greater of:  
(A) An annual average of at least 30 hours per week or, for a contractual or employment period of at least 6 months, an average of 30 hours per week; or  
(B) Unless the qualifying employment is with two or more employers, the number of hours the employer considers full-time.  
(2) Vacation or leave time provided by the employer or leave taken for a condition that is a qualifying reason for leave under the Family and Medical Leave Act of 1993, 29 U.S.C. 2612(a)(1) and (3) is equivalent to hours worked in qualifying employment.  
NOTE: A full-time AmeriCorps or Peace Corps volunteer is considered a full-time employee for eligibility purposes for PSLF.

**3. Type of Public Service Organization, in accordance with the definition in Section 5 (check one):**

- (a)  A government organization (including a Federal, State, local or Tribal organization, agency or entity, a public child or family service agency, or a Tribal college or university);
- (b)  A non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code;
- (c)  A private, non-profit organization (that is not a labor union or a partisan political organization) that provides at least one of the following public services (check all that apply):
- Emergency management,
  - Military service,
  - Public safety,
  - Law enforcement,
  - Public interest law services,
  - Early childhood education (including licensed or regulated child care, Head Start, and State-funded pre-kindergarten),
  - Public service for individuals with disabilities and the elderly,
  - Public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health support occupations, as such terms are defined by the Bureau of Labor Statistics),
  - Public education,
  - Public library services,
  - School library services, or
  - Other school-based services.

NOTE as to categories (b) and (c): For purposes of the full-time requirement (Section 3, item 2.(b) above), a borrower's qualifying employment does not include time spent on job duties that are related to religious instruction, worship services, or any form of proselytizing.

I certify that the borrower identified in Section 1 above is/was employed at a public service organization, as indicated above, or is/was serving in an AmeriCorps or Peace Corps position (in accordance with the definitions of these terms in Section 5) during the period identified in item 2.(a) of this section.

Authorized Official's Name (Printed) \_\_\_\_\_ Authorized Official's Title \_\_\_\_\_  
Authorized Official's Signature \_\_\_\_\_ Authorized Official's Telephone \_\_\_\_\_ Today's Date (MM-DD-YYYY) \_\_\_\_\_

**Page 2 –  
GME Office (or employer)  
completes!**

**Be sure to add your name  
& SS#, here!!**

**Complete it, yearly, and maintain  
a copy of it & date you sent it in  
to FedLoan Servicing/PHEAA.**

# (OTHER) LOAN REPAYMENT/FORGIVENESS PROGRAMS

## REQUIRE SERVICE FOR LOAN REPAYMENT:

[www.nhsc.hrsa.gov](http://www.nhsc.hrsa.gov)

- up to \$60,000 (2 year service commitment) **non taxable**
- up to \$170,000 (5 year service commitment)
- up to total debt (6 or more years)
- Primary Care focus

[www.lrp.nih.gov](http://www.lrp.nih.gov)

- up to \$35,000/year (2 year service commitment) **taxable**

[www.ihs.gov](http://www.ihs.gov)

- up to \$20,000/year (2 year service commitment) **taxable**
- Primary Care focus

[www.hrsa.gov](http://www.hrsa.gov)

- faculty loan repayment **taxable**
- up to \$40,000 (2 years of service)
- institution must match

[www.hed.state.nm.us](http://www.hed.state.nm.us)

- up to \$25,000/year **taxable**
- up to \$35,000/year
- NOT only Primary Care focus** (but, for service in HPSA in New Mexico)

# LOAN REPAYMENT/FORGIVENESS PROGRAMS

## ■ Department of Education (ED)

### ■ Public Service Loan Forgiveness – PSLF

- Service in not-for-profit entity, etc.
  - BROADER SCOPE
  - NON-COMPETITIVE
- Write off of student loan debt after 10 years (120) on-time payments
- **Non taxable**

## ■ Department of Health and Human Services (HRSA)

- Service commitment in designated shortage area
  - NARROW SCOPE
  - COMPETITIVE

### ■ Loan Repayment Programs =

- Actual payment of money, to you
    - Some **taxable**, some **non taxable**
  - NHSC, IHS, NIH, Faculty
- 

### ■ State Loan Repayment Programs

- Actual payment of money, to you
  - **Taxable**

# TAXPAYER RELIEF ACT OF 1997

	<b>Full Deduction</b>
<b>Single</b>	<b>\$60,000 - \$75,000</b>
<b>Married filing Jointly</b>	<b>\$120,000 - \$150,000</b>

Modified adjusted gross income (MAGI). For most taxpayers, MAGI is adjusted gross income (AGI) as figured on their federal income tax return before subtracting any deduction for student loan interest.

- Maximum student loan interest deduction of \$2,500 per year
- Voluntary payments may be eligible
- Capitalized interest may be included

IRS Publication 970 [www.irs.gov/publications/p970](http://www.irs.gov/publications/p970)  
#4 Student Loan Interest Deduction

# REMEMBER

- **If you are applying for Federal Loan Consolidation (for PSLF) and all of your loans are already held by FedLoan Servicing/PHEAA or Sallie Mae, you MUST still complete the on-line consolidation to include Perkins, LDS, or HPSL loans.**
- **You can consolidate regardless of whether or not you are applying for Public Service Loan Forgiveness – PSLF**
- **If NOT applying for PSLF, you can consolidate with the servicer who holds most of your loans, i.e., Fedloan Servicing/PHEAA, Sallie Mae, Nelnet, or Great Lakes**
- **AND, you can utilize Income-based Repayment (IBR) or Pay As You Earn (PAYE) regardless of whether or not you are applying for PSLF**
- **IBR and PAYE are great if you are applying for PSLF and/or as you transition to the next phase of your career and get started with your payments**
- **AND, you can always pre-pay if you have extra funds after you have figured out your budget**
- **BUT, don't be in a hurry to pre-pay if you're pursuing PSLF**

# HELPFUL WEBSITES

<http://hsc-blogs.health.unm.edu/financialaid/>

✓

[www.bankrate.com](http://www.bankrate.com) ✓

[www.myfico.com](http://www.myfico.com)

[www.annualcreditreport.com](http://www.annualcreditreport.com) ✓

[www.optoutprescreen.com](http://www.optoutprescreen.com)

[www.ibrinfo.org](http://www.ibrinfo.org) ✓

[www.edwardjones.com](http://www.edwardjones.com)

<http://studentaid.ed.gov/sites/default/files/public-service-employment-certification-form.pdf>

[www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov) ✓

[www.nslds.ed.gov](http://www.nslds.ed.gov) ✓

[www.studentloans.gov](http://www.studentloans.gov)

[www.studentaid.ed.gov](http://www.studentaid.ed.gov)



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## HELPFUL DOCUMENTS

- **UNM-HSC Financial Aid Services Blog** (simple to subscribe to)
  - <http://hsc-blogs.health.unm.edu/financialaid/>
  - **Personal Information Inventory Form - PIIF**
  - **Interactive Budget Worksheet**
  - **Investing Questionnaire**
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THANK YOU  
&  
BEST OF LUCK  
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