

ECONOMIC HARDSHIP DEFERMENT - WORKSHEET A

OMB No. 1845-0011
Form Approved
Exp. Date 11/30/2008

You may use this worksheet to determine if you are eligible for an economic hardship deferment based on condition (5) in Section 2 of the Economic Hardship Deferment Request form.

DO NOT RETURN THIS WORKSHEET WITH THE DEFERMENT REQUEST FORM—KEEP IT FOR YOUR RECORDS. RETURN ONLY THE DEFERMENT REQUEST FORM AND ANY REQUIRED DOCUMENTATION.

STEP 1

Are you working full-time (as defined in Section 5 of the deferment request form)?

- Yes You do not qualify for an economic hardship deferment based on condition (5). Do not continue with this worksheet. Refer to Worksheet B.
No Go to Step 2.

STEP 2

(1) Line 1. Enter the amount for your family size and state from the chart in Section 6 of the Economic Hardship Deferment Request form: \$

(2) Line 2. Multiply the amount on Line 1 by two: \$

(3) Line 3. \$ 2,028.00

(4) Line 4. Enter the larger of Line 2 or Line 3. \$

(5) Line 5. Enter your MONTHLY INCOME. (See the definition of "monthly income" in Section 5 of the Economic Hardship Deferment Request.) \$

- (6) Is the amount on Line 5 larger than the amount on Line 4?
Yes You do not qualify for an economic hardship deferment based on condition (5). Do not continue with this worksheet.
No Go to Step 3.

STEP 3

LOANS WITH A REPAYMENT PERIOD OF 10 YEARS OR LESS (See the definition of "repayment period" in Section 5 of the deferment request form.)

For all of your loans now in repayment that have a repayment period of 10 years or less (including loans for which you are requesting deferment), add together your current monthly payment amounts. You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Table with 2 columns: Loan Type, Your Current Monthly Payment Amount. Lists various loan types like Direct Subsidized, Federal Stafford, PLUS, SLS, Consolidation, Perkins, etc.

STEP 4

LOANS WITH A REPAYMENT PERIOD OF MORE THAN 10 YEARS (See the definition of "repayment period" in Section 5 of the deferment request form.)

A. For all of your loans now in repayment that have a repayment period of more than 10 years (including loans for which you are requesting deferment), add together the amounts you owed on each loan at the time the loan entered repayment. You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Table with 2 columns: Loan Type, Amount You Owed When the Loan Entered Repayment. Lists various loan types similar to Step 3.

## ECONOMIC HARDSHIP DEFERMENT - WORKSHEET A (Continued)

### STEP 4 -- CONTINUED

B. Circle the current interest rate for your Direct Loan(s) in the chart below. If your exact interest rate is not listed, choose the next highest interest rate. If you have loans with different interest rates, circle the rate for the loan with the highest interest rate.

Interest Rate	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%	9.0%
Constant Multiplier	.0101245	.0103638	.0106066	.0108526	.0111021	.0113548	.0116108	.0118702	.0121328	.0123986	.0126676

C. Multiply the **TOTAL AMOUNT OWED** (from A) by the constant multiplier listed directly below the interest rate that you circled in the chart above:

<b>TOTAL AMOUNT OWED</b> (from A)	Constant multiplier (from B)	<b>ESTIMATED MONTHLY PAYMENT*</b>
\$ _____	x _____	= \$ _____

*\*This is an estimate of the amount that you would pay each month on your federal education loans that have a repayment period of more than 10 years if those loans were scheduled to be repaid in fixed installments over a 10-year period.*

### STEP 5

Add the **TOTAL CURRENT MONTHLY PAYMENT** from Step 3 and the **ESTIMATED MONTHLY PAYMENT** from Step 4 to determine your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**.

<b>TOTAL CURRENT MONTHLY PAYMENT</b> (from Step 3)	<b>ESTIMATED MONTHLY PAYMENT</b> (from Step 4)	<b>COMBINED TOTAL MONTHLY PAYMENT AMOUNT</b>
\$ _____	+ \$ _____	= \$ _____

### STEP 6

- (1) Line 1. Enter your **MONTHLY INCOME** (from Step 2). \$ \_\_\_\_\_
- (2) Line 2. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 5). \$ \_\_\_\_\_
- (3) Line 3. Subtract Line 2 from Line 1. \$ \_\_\_\_\_
- (4) Line 4. Enter the amount for your family size and state from the chart in Section 6 of the Economic Hardship Deferment Request form: \$ \_\_\_\_\_
- (5) Line 5. \$ **1,014.00**
- (6) Line 6. Enter the **larger** of Line 4 or Line 5. \$ \_\_\_\_\_
- (7) Line 7. Enter the amount from Line 3. \$ \_\_\_\_\_

(8) Is the amount on Line 7 larger than the amount on Line 6?

- Yes You do not qualify for an economic hardship deferment based on condition (5).
- No You meet the qualifications for an economic hardship deferment based on condition (5). Check the box for condition (5) in Section 2 of the deferment request form.

## ECONOMIC HARDSHIP DEFERMENT - WORKSHEET B

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Use this worksheet to determine if you are eligible for an economic hardship deferment based on condition (6) in Section 2 of the Economic Hardship Deferment Request Form. (You may also determine if you are eligible based on this condition by going to the Direct Loan Servicing Center's web site. See Section 4 of the deferment request form.) Completion of this worksheet is optional—if you check condition (6), the Direct Loan Servicing Center will determine your eligibility based on the income and federal education debt documentation that you provide.

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### STEP 1

Are you working full-time (as defined in Section 5 of the deferment request form)?

- Yes Go to Step 2.  
 No You do not qualify for an economic hardship deferment based on condition (6). Do not continue with this worksheet. Refer to Worksheet A.

### STEP 2

#### LOANS WITH A REPAYMENT PERIOD OF 10 YEARS OR LESS (See the definition of "repayment period" in Section 5 of the deferment request form.)

For all of your loans now in repayment that have a **repayment period of 10 years or less** (including loans for which you are requesting deferment), add together your current monthly payment amounts. You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Your Current Monthly Payment Amount
Direct Subsidized and Direct Unsubsidized Loans	\$ _____
Federal Stafford Loans (subsidized and unsubsidized)	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Direct Subsidized Consolidation Loans and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5 of the deferment request form.	+ \$ _____
<b>TOTAL CURRENT MONTHLY PAYMENT:</b>	<b>= \$ _____</b>

### STEP 3

#### LOANS WITH A REPAYMENT PERIOD OF MORE THAN 10 YEARS (See the definition of "repayment period" in Section 5 of the deferment request form.)

**A.** For all of your loans now in repayment that have a **repayment period of more than 10 years** (including loans for which you are requesting deferment), add together the amounts you owed on each loan at the time the loan entered repayment. You may include defaulted loans only if you have made repayment arrangements satisfactory to the holder(s) of the defaulted loans.

Loan Type	Amount You Owed When the Loan Entered Repayment
Direct Subsidized and Direct Unsubsidized Loans	\$ _____
Federal Stafford Loans (subsidized and unsubsidized)	+ \$ _____
Direct PLUS Loans	+ \$ _____
Federal PLUS Loans	+ \$ _____
Federal SLS Loans	+ \$ _____
Direct Subsidized Consolidation Loans and Direct Unsubsidized Consolidation Loans	+ \$ _____
Direct PLUS Consolidation Loans	+ \$ _____
Federal Consolidation Loans	+ \$ _____
Federal Perkins Loans and/or National Direct Student Loans	+ \$ _____
Other eligible federal education loans listed in Section 5 of the deferment request form.	+ \$ _____
<b>TOTAL AMOUNT OWED:</b>	<b>= \$ _____</b>

**B.** Circle the current interest rate for your Direct Loan(s) in the chart below. If your exact interest rate is not listed, choose the next highest interest rate. If you have loans with different interest rates, circle the rate for the loan with the highest interest rate.

Interest Rate	4.0%	4.5%	5.0%	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%	8.5%	9.0%
Constant Multiplier	.0101245	.0103638	.0106066	.0108526	.0111021	.0113548	.0116108	.0118702	.0121328	.0123986	.0126676

**C.** Multiply the **TOTAL AMOUNT OWED** (from A) by the constant multiplier listed directly below the interest rate that you circled in the chart above:

**TOTAL AMOUNT OWED** (from A) Constant multiplier (from B) **ESTIMATED MONTHLY PAYMENT\***

\$ \_\_\_\_\_ x \_\_\_\_\_ = \$ \_\_\_\_\_

*\*This is an estimate of the amount that you would pay each month on your federal education loans that have a repayment period of more than 10 years if those loans were scheduled to be repaid in fixed installments over a 10-year period.*

## ECONOMIC HARDSHIP DEFERMENT - WORKSHEET B (Continued)

### STEP 4

Add the **TOTAL CURRENT MONTHLY PAYMENT** from Step 2 and the **ESTIMATED MONTHLY PAYMENT** from Step 3 to determine your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT**.

TOTAL CURRENT MONTHLY PAYMENT (from Step 2)	ESTIMATED MONTHLY PAYMENT (from Step 3)	COMBINED TOTAL MONTHLY PAYMENT AMOUNT
\$ _____	+ \$ _____	= \$ _____

### STEP 5

(1) Line 1. Enter your monthly income. (See the definition of "Monthly income" in Section 5 of the Economic Hardship Deferment Request.) \$ \_\_\_\_\_

(2) Line 2. Multiply the amount on Line 1 by .20 (= 20%). \$ \_\_\_\_\_

(3) Line 3. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 4). \$ \_\_\_\_\_

(6) Is the amount on Line 3 **equal to or larger than** the amount on Line 2?

Yes Go to Step 5.

No You do not qualify for an economic hardship deferment based on condition (6). Do not continue with this worksheet.

### STEP 6

(1) Line 1. Enter your monthly income. \$ \_\_\_\_\_

(2) Line 2. Enter your **COMBINED TOTAL MONTHLY PAYMENT AMOUNT** (from Step 4). \$ \_\_\_\_\_

(3) Line 3. Subtract Line 2 from Line 1. \$ \_\_\_\_\_

(4) Line 4. Enter the amount for your family size and state from the chart in Section 6 of the Economic Hardship Deferment Request form. \$ \_\_\_\_\_

(5) Line 5. Multiply the amount on Line 4 by 2.2 (= 220%); \$ \_\_\_\_\_

(6) Line 6. \$ **2,230.80**

(7) Line 7. Enter the **larger** of Line 5 or Line 6. \$ \_\_\_\_\_

(8) Line 8. Enter the amount from Line 3. \$ \_\_\_\_\_

(9) Is the amount on Line 8 **less than** the amount on line 7?

Yes You meet the qualifications for an economic hardship deferment based on condition (6). Check the box for condition (6) in Section 2 of the deferment request form.

No You do not qualify for an economic hardship deferment based on condition (6).

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