

Section 5: Additional IBR Information – to be completed by BORROWERS WHO SELECT IBR

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

To repay under the IBR Plan, you must have a **partial financial hardship**. You are considered to have a partial financial hardship if the annual amount due on all of your eligible loans, as calculated under a standard repayment plan with a 10-year repayment period, is more than 15% of the difference between your adjusted gross income (AGI) and 150% of the poverty guideline amount for your family size and state. (If you are married and file a joint federal tax return with your spouse, your AGI includes both your income and your spouse's income.) Eligible loans for the IBR Plan are Direct Subsidized Loans, Direct Unsubsidized Loans, Direct Consolidation Loans that did not repay parent PLUS loans, student Direct PLUS Loans, Federal Family Education Loan (FFEL) Stafford Loans, and student FFEL PLUS Loans, and FFEL Consolidation Loans that did not repay parent PLUS loans. If you have both Direct Loans and FFEL loans, your total eligible loan debt will be considered when determining partial financial hardship. The following loans are **not** eligible for IBR: Direct PLUS Consolidation Loans, parent Direct PLUS Loans, parent FFEL PLUS Loans, Direct Consolidation Loans or FFEL Consolidation Loans that repaid parent PLUS loans, and loans on which you are in default.

To enroll in the IBR Plan, you must complete an ICR & IBR Plan Consent to Disclosure of Tax Information form. You may also be required to complete an ICR & IBR Plan Alternative Documentation of Income form. We have enclosed the required form(s). Please complete and return the enclosed form(s) along with this Repayment Plan Selection form. If you do not submit the required ICR & IBR form(s), you will be placed on the Standard Repayment Plan (unless you were previously on another Direct Loan repayment plan).

If you select the IBR Plan, you must continue to make payments on your loan(s) under your current repayment plan until we receive all the necessary information to determine your eligibility for the IBR Plan and your IBR payment amount. If you are unable to make your loan payments under your current repayment plan while we are determining your eligibility for IBR and your IBR payment amount, you may request a forbearance. During a forbearance you are not required to make any payments of principal or interest, but interest continues to accumulate on your loan. If you are beginning repayment of your Direct Loan for the first time, interest that you do not pay during the forbearance will be capitalized (added to your outstanding principal balance) at the end of the forbearance. Capitalization increases your loan's principal amount, and therefore the total amount of interest you will repay on your loan. If you are requesting a change from another Direct Loan repayment plan to the IBR Plan, you may receive a forbearance for up to 60 days during which unpaid interest will not be capitalized. During the forbearance, you will have to provide us with your income information that we need to calculate your payment amount under IBR. To request a forbearance, contact the Direct Loan Servicing Center at 1-800-848-0979, Monday through Friday 8:00 am to 8:30 pm (Eastern Time). Individuals who use a telecommunications device for the deaf (TDD) may call 1-800-848-0983.

A. Family Size. Enter your family size on the line below. Your family size is determined by counting you, your spouse, and your children, including children who will be born during the year you certify your family size, if your children receive more than half their support from you. Your family size also includes other individuals if, at the time you certify your family size, these other individuals (1) live with you and (2) receive more than half of their support from you and will continue to receive this support for the year you certify your family size. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, and payment of college costs. **If you select IBR, you must notify us of your family size every year. The Department will contact you annually by mail to confirm and update family size information.**

Family Size: _____

If you have any questions regarding the IBR Plan, partial financial hardship, or your family size determination, please contact the Direct Loan Servicing Center (see Section 6 below).

B. Eligible Loans. Direct Subsidized Loans, Direct Unsubsidized Loans, Direct Consolidation Loans that did not repay parent PLUS loans, student Direct PLUS Loans, Federal Family Education Loan (FFEL) Stafford Loans, student FFEL PLUS Loans, and FFEL Consolidation Loans that did not repay parent PLUS loans are eligible for repayment under the IBR Plan. Direct PLUS Consolidation Loans, parent Direct PLUS Loans, parent FFEL PLUS Loans, Direct Consolidation Loans or FFEL Consolidation Loans that repaid parent PLUS Loans, and loans on which you are in default are not eligible for IBR. Your IBR payment amount will be based on your total eligible loan debt.

C. 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 and have your spouse sign and date below in Section D. Both you and your spouse must have a partial financial hardship to repay an eligible joint consolidation loan under IBR (see description of partial financial hardship above).

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

D. Certification. Read the certification statement below, then sign and date this form. If you want to repay a joint consolidation loan under the IBR Plan (see "C", above), your spouse must also 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) _____

Date _____

Section 6: Where to Send the Completed Form

Return this form to:

U.S. Department of Education
Direct Loan Servicing Center
P.O. Box 5609
Greenville, TX 75403-5609

If you need help completing this form, or if you need to report a change in your address:

- Call us at **1-800-848-0979** or, if you use a telecommunications device for the deaf (TDD), at **1-800-848-0983**.
- E-mail us by going to **www.dl.ed.gov** and clicking on **Contact Us**.
- **Write to us at the mailing address provided above.**

PRIVACY ACT NOTICE

The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authority for collecting the requested information from and about you is §451 *et seq.* of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1087a *et seq.*) and the authorities for collecting and using your Social Security Number (SSN) are §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer-matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

PAPERWORK REDUCTION NOTICE

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0014. The time required to complete this information collection is estimated to average .33 hours (20 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, DC 20202-4537. **Do not send the completed form to this address.**

If you have questions about the status of your individual submission of this form, contact the Direct Loan Servicing Center (see Section 6).