

APPENDIX G

Deferment Condition

	FEDERAL PERKINS/NDL SL LOAN PROGRAM			HEALTH PRO-FESSIONS STUDENT LOAN	FEDERAL STAFFORD PROGRAM			FEDERAL SLS PROGRAM			FEDERAL CONSOLIDATION LOAN		FEDERAL CONSOLIDATION LOAN PROGRAM	HEAL LOAN
	Perkins Loans @ 7/1/93	Perkins Loan	NDL SL Loans @ 10/1/80		New ¹ Borrower @ 7/1/93	Prior Borrower	New ¹ Borrower 7/1/87	New ¹ Borrower @ 7/1/93	Refinanced and Prior Borrower	New ¹ Borrower 7/1/87	Prior Borrower	New ¹ Borrower @ 7/1/93		
Full-Time study	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
Half-time study	No Limit	No Limit	No Limit	-	No Limit	-	No Limit	No Limit	-	No Limit	No Limit	No Limit	No Limit	-
Graduate Fellowship study	No Limit	-	-	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	2 yrs
Rehabilitation training	No Limit	-	-	-	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	-
Less-than-half-time study	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Armed Forces	-	3 yrs	3 yrs	3 yrs	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yrs ⁷	3 yrs
Public Health Service	-	3 yrs	3 yrs	3 yrs	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yrs ⁷	3 yrs
Peace Corps/Action	-	3 yrs	3 yrs	3 yrs	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yrs ⁷	3 yrs
Tax-exempt organization	-	3 yrs	3 yrs	-	-	3 yrs	3 yrs	-	3 yrs	3 yrs	-	-	3 yr ⁷	-
Temp, total disability/borrower	-	3 yrs	3 yrs	-	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yr ⁷	-
Temp, total disability/spouse	-	3 yrs	3 yrs	-	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yrs ⁷	-
Temp, total disability/depend't	-	3 yrs	-	-	-	3 yrs	3 yrs	-	3 yrs	3 yrs	3 yrs	-	3 yrs ⁷	-
Nat'l Oceanic & Atmospheric Admin. (including Military and Health Service)	-	3 yrs	-	-	-	-	3 yrs	-	-	3 yrs	-	-	3 yrs ⁷	-
Teaching in targeted area	-	-	-	-	-	-	3 yrs	-	-	3 yrs	-	-	3 yrs ⁷	-
Internship/residency	-	2 yrs	2 yrs	No Limit	-	2 yrs	2 yrs	-	2 yrs	2 yrs	-	-	2 yrs ⁷	4 yrs
Internship/hospital/health care (including above)	-	2 yrs	-	No Limit	-	-	2 yrs	-	-	2 yrs	-	-	2 yrs ⁷	-
Unemployment	3 yrs	2 yrs	2 yrs	6 mo	3 yrs	2 yrs	2 yrs	3 yrs	2 yrs	2 yrs	2 yrs	3 yrs	3 yrs	-
Economic Hardship ⁶	3 yrs	2 yrs	2 yrs	6 mo	3 yrs	--	--	3 yrs	--	--	--	3 yrs	3 yrs	-
Mother entering work force ³	-	1 yr ³	-	-	-	-	1 yr ³	-	-	1 yr ³	-	-	1 yr ⁷	-
Parental leave ⁴	-	6 mo	-	-	-	6 mo	6 mo	-	6 mo	6 mo	-	-	6 mo ⁷	-
Primary Care Service ⁵	-	-	-	-	-	-	-	-	-	-	-	-	-	3 yrs

APPENDIX G (continued)

DEFERMENT SUMMARY - FOOTNOTES

- 1) A 'new borrower' in a given program is one who had no outstanding balance on the date he or she signed the promissory note and who received a loan under the programs either (1) for a period of enrollment beginning on or after the indicated date, or (2) disbursed on or after the indicated date.
- 2) Eligible for deferment while engaged in at least half-time study at a participating school if the borrower obtained a GSL or SLS loan for that period of enrollment.
- 3) A Perkins Loan borrower or a new GSL or SLS borrower is eligible for deferment for periods not exceeding 12 months if the borrower is a mother with preschool-age children, is entering or re-entering the work force, and is being paid no more than \$1 above minimum wage.
- 4) A 'parental deferment' is a period not exceeding six months during which the borrower is pregnant, caring for his or her newborn child, or caring for his or her adopted child immediately following adoption. The borrower may neither be attending school nor be gainfully employed, and must have been enrolled on at least a half-time basis at a participating school at some time during the six months preceding the period of parental leave.
- 5) On loans for which the promissory note is signed on or after 10/13/92, 3 years for any borrower who has completed an accredited internship or residency training program in family medicine, general internal medicine, preventive medicine or general pediatrics and who is practicing primary care.
- 6) A borrower is considered to have an economic hardship if the borrower
 - is receiving payment under a federal or state public assistance program;
 - is working full time but earning an amount that does not exceed the greater of
 - ◇ the federal minimum wage, or
 - ◇ an amount equal to 100% of the poverty line for a family of two as determined according to section 673(2) of the Community Service Block Grant Act; or
 - meets other regulatory criteria which take into account the borrower's debt-to-income ratio as a primary factor. Specifically, the borrower may qualify if
 - ◇ he or she is working full time and has a federal educational debt burden (including defaulted loans) that is at least 20% of the borrower's total monthly gross income. The borrower's income, minus the education debt burden, must be less than 220% of the total monthly gross amount associated with minimum wage rate work or earnings equal to 100% of the poverty line for a family of two.
 - ◇ he or she is not working full time and has a total monthly gross income that does not exceed twice the minimum wage or the poverty line for a family of two, and, after deducting the borrower's monthly education loan payments, the remaining amount of the borrower's income does not exceed those amounts.
 - has been granted an economic hardship deferment under either Loans, FFEL or the Federal Perkins Loan Program for the same period of time for which the economic hardship deferment is being requested.
- 7) Only true if loans being consolidated include FFEL loans made before July 1, 1993.