

# *Financial Aid Cent\$*

## Information You Need to Know



For many of our students, graduation is right around the corner. This means that student loan payments will begin in the not so distant future. For some, this may be stressful, especially if the salary attached to your new job is less than you had hoped. One of the benefits of having borrowed through the federal loan programs is the economic hardship deferment benefit. For those that qualify, this deferment eases the financial crisis some face right out of school by temporarily postponing the repayment of student loans for up to 12 months.

Applications may be requested through your loan servicer. The servicer will need certain financial information from you in order to determine whether or not you qualify for this program. Qualifying criteria is subject to change with federal regulations.

### **Qualifications**

You may qualify, if **both** of the following apply:

- You had no outstanding FFELP loan balance on the date you received a loan on or after July 1, 1993.
- One of the following conditions exists:
  - You have been granted an economic hardship deferment under the William D. Ford Federal Direct Loan Program or the Federal Perkins Loan Program.
  - You are receiving or have received payments under a federal or state public assistance program.
  - You are serving as a Peace Corps volunteer.
  - You exceed a federally defined debt-to-income ratio.\*

\*as determined by the federal guidelines listed on the Economic Hardship Deferment Request form