Federal Family Education Loan Program (FFELP)

Instructions for Completing the Federal Consolidation Loan Application and Promissory Note

Guarantor, Program, or Lender Identification

Before You Begin

Before beginning, gather all of your education loan records, account statements, and bills so that you have the information you need to complete the Federal Consolidation Loan Application and Promissory Note.

Complete the form using dark ink or type. This form must be signed and dated by the applicant(s). If an item has been completed for you and it is incorrect, cross out the incorrect information and print the correct information. Incorrect or incomplete information may delay processing of your application.

If you have any questions about completing this application, contact the entity identified above.

Section A. Borrower Information

Item 1: Enter your last name, then your first name and middle initial.

Item 2: Enter your nine-digit Social Security Number. If this item has been completed for you, review it for correctness.

Item 3: Enter your permanent home address (number, street, apartment number, city, state, zip code). If your mailing address is an RFD, post office box, or general delivery, you must list both the street address and mailing address.

Item 4: Enter the area code and telephone number for the address listed in Item 3. If you do not have a telephone, enter N/A.

Item 5: Enter any former names under which one or more of your loans may have been disbursed. If you do not have a former name, enter N/A.

Item 6: Enter the month, day, and four-digit year of your birth. Use only numbers. Be careful not to enter the current year.

Item 7: Enter the two-letter abbreviation for the state that issued your driver's license followed by the driver's license number. If you do not have a driver's license, enter N/A.

Item 8: Enter your fax number and the e-mail address you use most frequently. These may be used to communicate with you. If you do not have a fax number or e-mail address, or do not wish to provide this information, enter N/A.

Item 9: *It is important that the consolidating lender is able to reach you during the process of making this loan and during repayment.* Enter your employer's name, address, including city, state, and zip code, and telephone number. If you are self-employed, enter the name, address, and telephone number of your business. If you are not employed, enter N/A.

Item 10: Enter the name of the lender you would like to finance your Federal Consolidation Loan.

Item 11: If you know the lender code, enter it here. Otherwise, leave this field blank.

Section B. Spouse Information

Note: Complete this section only if you are married and you both wish to consolidate your loans jointly. Include your spouse's loan(s) in Section D. Your spouse must sign and date Item 38 in Section G. Remember, if you take out a joint Federal Consolidation Loan, you are both responsible for repaying the total Federal Consolidation Loan, even if you become separated or divorced.

Item 12: Enter your spouse's last name, then your spouse's first name and middle initial.

Item 13: Enter your spouse's nine-digit Social Security Number. If this item has been completed for you, review it for correctness.

Item 14: Enter the month, day, and four-digit year of your spouse's birth. Use only numbers. Be careful not to enter the current year.

Item 15: Enter any former names under which one or more of your spouse's loans may have been disbursed. If your spouse does not have a former name, enter N/A.

Item 16: Enter the two-letter abbreviation for the state that issued your spouse's driver's license followed by the driver's license number. If your spouse does not have a driver's license, enter N/A.

Item 17: Enter your spouse's fax number and the e-mail address your spouse uses most frequently. These may be used to communicate with your spouse. If your spouse does not have a fax number or e-mail address, or does not wish to provide this information, enter N/A.

Item 18: *It is important that the consolidating lender is able to reach your spouse during the process of making this loan and during repayment.* Enter your spouse's employer's name, address (including city, state, and zip code), and telephone number. If your spouse is self-employed, enter the name, address, and telephone number of your spouse's business. If your spouse is not employed, enter N/A.

Section C. Reference Information

Note: You must provide two separate references with different U.S. addresses. Do not include individuals who live with you or live outside the U.S. Both references must be completed fully and should be relatives or acquaintances you (or you and your spouse, if consolidating jointly) have known for at least three years.

Items 19A and 19B: Enter the requested reference information for two adults who do not share a common address. References with addresses outside the U.S. are not acceptable. Both references must be completed in full. If a reference does not have a telephone or an e-mail address, or does not wish to provide an e-mail address, write N/A. If you provide an e-mail address for a reference, the holder of your Federal Consolidation Loan may use it to communicate with your reference as part of collecting on the loan. All requested items must be completed or your loan will be delayed.

Section D. Education Loan Indebtedness

Education Loans

The following types of education loans (except those represented by the code OTHR) are eligible for consolidation:

Loan Code	*Education Loans*
SS	Subsidized Federal Stafford Loans, formerly Guaranteed Student Loans (GSL)
DSS	Direct Subsidized Stafford/Ford Loans
US	Unsubsidized and Nonsubsidized Federal Stafford Loans
DUS	Direct Unsubsidized Stafford/Ford Loans
SLS	Federal Supplemental Loans for Students, formerly Auxiliary Loans to Assist Students (ALAS) and Student PLUS Loans
PERK	Federal Perkins Loans, formerly National Defense/National Direct Student Loans (NDSL)
HPSL	Health Professions Student Loans, including Loans for Disadvantaged Students
HEAL	Health Education Assistance Loans
FISL	Federal Insured Student Loans
PLUS	Federal PLUS Loans
DPLUS	Direct PLUS Loans
SCON	Subsidized Federal Consolidation Loans
DSCON	Direct Subsidized Consolidation Loans
UCON	Unsubsidized Federal Consolidation Loans
DUCON	Direct Unsubsidized Consolidation Loans, including Direct PLUS Consolidation Loans
NSL	Federal Nursing Loans
OTHR	Other education loans not eligible for consolidation that you want used to calculate the maximum repayment period

Information you need to answer items in this section is available in loan documents, such as:

- The last monthly billing statement you received,
- Your quarterly interest statement or annual statement,
- Your coupon book, or
- The Internet site of your loan holder or servicer.

If you are unsure of the correct information on your loans, call your loan holder or servicer, or check the most recent correspondence from them.

Continued on next page.

Step 1: Begin by listing (according to the instructions that follow for Items 20-26) eligible loan(s) that you (or you and your spouse jointly) wish to consolidate, including any loan(s) currently held by the lender that will be consolidating your loan(s). You may consolidate a Federal Consolidation Loan only if you are combining that loan with at least one other eligible loan.

If you are in default on any loan that you wish to consolidate, you must have made satisfactory repayment arrangements with the holder to repay the loan before it is eligible for consolidation. Satisfactory arrangements usually involve making a series of payments on the defaulted loan. For Federal Stafford, Federal SLS, Federal PLUS, or Federal Consolidation loans, satisfactory repayment arrangements involve making a series of reasonable and affordable payments or agreeing to repay the new Federal Consolidation Loan under an income-sensitive repayment plan. Contact the holder of your defaulted loan for specific information.

Item 20: Enter the code that corresponds to the loan type from the Education Loans list. If you are not sure about the loan type, leave this item blank.

Item 21: Enter the full name and mailing address of each holder of your education loans or the holder's servicer. (This is the address to which you are or will be sending your payments.) If the loan is in default, enter the full name and address of the guarantor or the guarantor's servicer. If the loan is a Perkins Loan, enter the full name and address of the school or school's servicer. Do not use initials instead of full names.

Item 22: Enter "B" for each loan that is yours, "S" for each loan that is your spouse's, and "J" for each loan that belongs to both you and your spouse.

Item 23: Enter the account number for each loan. This may be listed on your monthly billing statement or coupon or in other information your holder or holder's servicer provides.

Item 24: Enter the interest rate you are paying on each loan.

Item 25: Enter the estimated payoff amount, including any unpaid interest, late fees, and collection costs.

Item 26: If you are in your grace period (specified period of time after a student graduates or leaves school during which loan payments are not required and during which interest on loans may be payable by the federal government) for any of the loans selected for consolidation and you wish to delay processing until you have completed your grace period, enter the month and year that your grace period ends. If you request such a delay, processing of the Federal Consolidation Loan will begin approximately 60-90 days before the latest grace period end date. If you do not wish to delay processing, leave this field blank.

Step 2: The maximum length of your Federal Consolidation Loan repayment period is determined by your total education loan debt, including:

- Loans you are consolidating,
- Loans eligible for consolidation that you are not consolidating, and
- Loans not eligible for consolidation.

In **Items 27-32,** list both eligible loans you do not wish to consolidate and outstanding education loans not eligible for consolidation that you want used to determine your maximum repayment period. Outstanding education loans not eligible for consolidation must have been made exclusively to finance postsecondary education by an entity such as a bank, school, or state agency under a public or private loan program. Personal loans from family or friends or loans in default may not be listed. The amount of the loans that are not included in the Federal Consolidation Loan but are used to determine your repayment period will not exceed the amount of the loans consolidated.

Section E. Repayment Plan Selection

Item 33: You may choose one of several repayment options for your Federal Consolidation Loan. (Refer to supplemental materials provided by the consolidating lender or call the lender for more information on repayment options.) If you do not complete this item, the lender will provide a standard payment schedule that does not exceed the maximum allowable repayment period for which you are eligible. The maximum repayment period is 10 to 30 years depending on the amount of your student loan debt listed in Sections D.1 and D.2. Your repayment period will be based on your student loan debt, however, you may request a repayment period that is shorter than the maximum period allowed. A shorter repayment period will reduce the amount of interest you will pay over the life of the loan.

Your repayment options include:

A. **Standard Payments** in which you will make equal monthly payments. The final payment may be slightly larger or smaller.

B. **Graduated Payments** in which your monthly payments will be smaller in the beginning of repayment and gradually increase in stages over the course of the repayment period.

C. **Income-sensitive Payments** in which the amount of your monthly payments will be adjusted annually based on your expected total monthly gross income from employment and all other sources. Payments may increase or decrease. If you select this option, your initial repayment amount will be based on a standard or graduated payment plan unless otherwise specified in accompanying materials. After your Federal Consolidation Loan is made, you will be required to submit additional information to assist the lender in determining your income-sensitive payment. If you are consolidating jointly with your spouse, payments will be based on your total household income from all sources.

D. **Extended Payments** in which you may repay over a 25-year period on a standard or graduated payment plan if you have FFELP loans totaling in excess of $30,000. Under the other repayment options available in the consolidation program, you must have at least $40,000 in debt to qualify for a 25-year repayment period. If you have debt in excess of $60,000 and wish to repay over a 30-year period, you should select one of the other repayment options (A-C).

Note: If all of your FFELP loans are with one holder and you certify that you have been unable to obtain a Federal Consolidation Loan or a Federal Consolidation Loan with income-sensitive repayment terms from your current holder, you may apply for a Federal Consolidation Loan from another FFELP lender. If you have FFELP loans with more than one holder, you may apply for a Federal Consolidation Loan from any FFELP lender. Alternatively, if you have an outstanding balance on a FFELP loan and you are unable to obtain a Federal Consolidation Loan or a Federal Consolidation Loan with income-sensitive repayment terms that are acceptable to you, you may apply for a Federal Direct Consolidation Loan from the U.S. Department of Education.

Section F. Borrower Certification and Authorization

Items 34 and 35: Read these items carefully. The statements confirm the accuracy of the information that you supply, authorize various parties to perform certain functions, and certify your understanding and acceptance of certain terms and conditions of the loan.

Section G. Promissory Note

This is a legally binding contract.

Item 36: Carefully read the entire Promissory Note, Borrower Certification and Authorization, Borrower's Rights and Responsibilities Statement, and the other materials provided in connection with this loan.

Item 37: Sign and date the Promissory Note.

Item 38: If you and your spouse are jointly consolidating your loans, your spouse must also sign and date the Promissory Note. If you and your spouse are not jointly consolidating your loans, your spouse should not sign the Promissory Note.

Note: Signature(s) is required. If you (or you and your spouse, if consolidating jointly) fail to sign the Promissory Note, your application will be delayed.

Submitting Your Application and Promissory Note

Review all information on your Federal Consolidation Loan Application and Promissory Note. Return your completed application and promissory note to your consolidating lender for processing. Keep a copy for your records. If you are applying with your spouse, you and your spouse should each keep a copy for your records. **Remember to continue making your regularly scheduled education loan payments until your consolidating lender notifies you that the consolidation is complete.** If you would like to temporarily postpone your payments while your Federal Consolidation Loan is being processed, contact your holder regarding forbearance. When your loans are consolidated, you will receive a repayment schedule and disclosure statement for your Federal Consolidation Loan. It will provide information about your new loan and instructions on where to send your monthly payments.

Mailing Instructions: Mail the original copy of the Federal Consolidation Loan Application and Promissory Note and the Additional Loan Listing Sheet, if applicable, to your consolidating lender.