You graduated from college a few months ago; you haven't secured a job, and your first student loan payment is coming due. You've just been laid off from your job and can't afford to make your student loan payments. You're working at a low-paying job, and your current student loan payment is taking a big bite out of your budget. You're returning to college for further study. In each case, you may qualify to temporarily postpone or reduce payments on your Stafford, PLUS or consolidation loans.

Two options for payment relief

If you are unemployed, facing certain other personal financial difficulties, serving on active duty in the military, returning to school or pursuing certain other educational or training programs, you may qualify for temporary payment relief on your Stafford, PLUS or consolidation loans. Federal student loans provide two general options for student loan payment relief:

Deferment. If you meet the qualifications for deferment and submit the required documentation, you are entitled to defer principal payments, in the case of unemployment and economic hardship, for up to a total of three years during the term of your loans. There is no maximum time limit for deferment while you are continuously enrolled at least half time in school or participating in a qualified graduate fellowship or rehabilitation training program, or performing qualifying military service.

Forbearance. If you don't meet the requirements for deferment but still need payment relief, you may ask your lenders for forbearance. Forbearance permits you to reduce or postpone payments, or extend the time for making payments, usually at the discretion of the lender. A forbearance request typically is granted for a period of up to 12 months.

Helping Students Succeed.℠

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USAFunds®

Deferment & Forbearance

Do you need student loan payment relief?

Important considerations

Keep in mind the following issues regarding deferment and forbearance:

- You must make your scheduled payments until you are notified that your request for deferment or forbearance is approved.
- Unless you have subsidized Stafford loans and qualify for a deferment, interest will continue to accrue on your loans during the period of deferment or forbearance. You either must pay this accrued interest or it will be capitalized (added to your principal balance). As a result of interest capitalization, your total outstanding loan balance will be greater when you resume repayment of your loans.
- Maximum periods of unemployment and economic hardship deferment are limited for each borrower, regardless of the number of loans you are repaying. For example, if you use 12 months of unemployment deferment, you typically would qualify for only 24 additional months of unemployment deferment eligibility during the remaining terms of all of your outstanding loans.
- If you need student loan payment relief, contact your lenders immediately. Don't wait until you miss payments to ask for help.
- If you default on your loans, you lose the opportunity to defer your payments.

For more information

Contact your lenders to learn more about repayment relief options and whether you qualify. If you don't know whom to contact, use the National Student Loan Data System Student Access website, at **www.nslds.ed.gov**, to find your lender's name and contact information.

USA Funds® provides copies of deferment and forbearance forms on its website, **www.usafunds.org**.

Do you qualify for student loan payment relief?

	Deferments					**Forbearance**
	Unemployment	Economic Hardship	Military Service/Post-Active Duty Student	In School	Education Related	
Who Qualifies*	You must be actively seeking, but unable to find, full-time employment in the United States.	You must meet one of the following criteria: • You are receiving federal or state public assistance payments. • You are working full time and earning less than the federal minimum wage or 1.5 times the poverty level for the number of members in your family. • You are serving as a Peace Corps volunteer. • You have been granted economic hardship deferment on another federal education loan.	For Military Service Deferment you must meet one of the following criteria: • You are serving on active duty during a war or other military operation or national emergency. • You are performing qualifying National Guard duty during a war or other military operation or national emergency. For Post-Active Duty Student Deferment, you must be a member of the National Guard or Armed Forces Reserve who was called to active duty while enrolled at least half time at an eligible school or within six months of the last date that you were enrolled at least half time.	You, or the dependent undergraduate for whom you borrowed a PLUS loan, must be attending an eligible postsecondary institution at least half time.	You must be studying full time in a graduate fellowship program; or You must be receiving rehabilitation training services.	In most cases, you must be experiencing financial hardship and must be unable to make your monthly loan payments. You typically must receive authorization from your lender or loan servicer.
What to File	You must provide evidence of eligibility for unemployment benefits or file an Unemployment Deferment Request form and supporting documentation with your lender.	You must file an Economic Hardship Deferment Request form and supporting documentation with your lender.	You, or your representative, must provide documentation requested by your lender.	May be granted based on enrollment verification information received from your school, or you may file an In-School Deferment Request form with your lender.	You must file an Education-Related Deferment Request form and supporting documentation with your lender.	Request forbearance from and provide supporting documentation to each of your lenders.
Maximum Term	Three years.	Three years.	Military Service Deferment is available as long as you are performing qualifying military service and for 180 days following demobilization. Post-Active Duty Student Deferment is available for up to 13 months following completion of qualifying service.	Unlimited, as long as attending at least half time.	Unlimited, as long as participating full time in graduate fellowship or rehabilitation training.	Typically, up to one year for each request.

*This table summarizes the deferment and forbearance options available to Stafford, PLUS and consolidation loan borrowers whose loans were issued since July 1, 1993. Different deferment options apply to borrowers with loans issued prior to July 1, 1993. For federal poverty guidelines, see **aspe.hhs.gov/poverty/index.shtml**. For federal minimum wage guidelines, see **www.dol.gov/whd/minimumwage.htm**. Deferment forms are available from the USA Funds website, **www.usafunds.org**.