

## Official Servicer of Federal Student Aid. What this means to you

### Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION



#### Aidvantage Is a Servicer to Federal Student Aid

You have a network of support to help you succeed with your federal student loan repayment. Find out [how Federal Student Aid partners with loan servicers](#) to be here when you need help.



#### Support You Can Trust

You can visit [Studentaid.gov](http://Studentaid.gov) to see a [list of our trusted federal student loan servicers](#), or [submit a complaint](#) directly to the FSA Ombudsman



# FEDERAL STUDENT LOANS

Federal student loans are loans made through the William D. Ford Federal Direct Loan Program ("Direct Loans") or the Federal Family Education Loan Program ("FFEL Program" or "FFELP").

[Visit our COVID-19 Student Loan Support Center](#)

Get updates on payment relief and learn about options available for your type of federal loans.

View all your federal loans and their details on the National Student Loan Data System (NSLDS).

[Log In to NSLDS](#)

## Compare your options

Evaluate repayment plans, loan consolidation, payment postponement, and loan forgiveness.

[Compare Options](#)

## **Eligibility for Traditional Repayment Plans**

Three plans – Standard, Graduated, and Extended – are generally available to borrowers of Direct and FFELP Loans.

### **Standard Repayment Plan**

Standard plans last up to 10 years (or up to 30 years for Consolidation Loans).

Fixed monthly payment amounts with a minimum amount of \$50 per month.

Monthly payment amounts are based on your total loan amount – the more you owe, the higher your monthly payment will be.

You'll pay less interest over time under this plan than under other plans.

### **Graduated Repayment Plan**

Graduated repayment plans offer lower payments that step up to a fully amortizing payment.

Graduated payments are lower at first and then increase, usually every two years, and are set at an amount to ensure your loans are repaid within the remaining terms.

The repayment term is generally up to 10 years and may be up to 30 years for Consolidation Loans.

### **Extended Repayment Plan**

Extended repayment plans offer up to 25 years to repay your loans.

Extended plans are available for most borrowers with more than \$30,000 in Direct Loan balances or \$30,000 in FFELP loan balances.

An extended plan can be combined with either a Standard or Graduated Repayment Plan.

### **Income-Driven Repayment (IDR) Plans**

*Revised Pay As You Earn Repayment Plan (REPAYE)*

For Direct Loans only (excluding Parent PLUS and Consolidation Loans that repaid Parent PLUS)

*Pay As You Earn Repayment Plan (PAYE)*

For Direct Loans only (excluding Parent PLUS and Consolidation Loans that repaid Parent PLUS)

*Income-Based Repayment Plan (IBR)*

For Direct Loans and FFELP Loans (excluding Parent PLUS and Consolidation Loans that repaid Parent PLUS)

*Income-Contingent Repayment Plan (ICR)*

For Direct Loans only. NOTE: Direct PLUS Loans made to parents may be eligible if they are consolidated into a Direct Consolidation Loan made based on an application received on or after July 1, 2006.

A repayment plan based on your income can help you manage your federal student loan payments.

With Income-Driven Repayment (IDR) Plans, you could potentially reduce your monthly payment to as low as \$0. Certain eligibility conditions apply and an annual renewal is required – so be sure to find out how these plans work.

[Learn About IDR on the FSA Website Apply Online at StudentAid.gov](#)

**Need help? You can complete an IDR application online**

### **Income-Sensitive For FFELP Loans Only**

Although not part of the IDR program, customers with eligible FFELP Loans also have an Income-Sensitive Repayment (ISR) option.

To find out if you're eligible, [log in](#), go to Repayment Options, and follow the prompts. If eligible, you'll have the option to apply online, or you can download the form.

### **IDR Annual Renewal**

If you're repaying federal student loans in an Income-Driven Repayment (IDR) plan, each year you need to re-certify your plan by providing updated income documentation and certification of your family size. Generally, this is around the same time of the year that you first began repayment under the IDR plan that you selected.

It's important for you to provide the required information by the specified annual deadline. If you miss the deadline, unpaid accrued interest may be capitalized (added to the Unpaid Principal), and your monthly payment will no longer be based on your income. This may cause your Monthly Payment Amount to increase.

[Renew Online at StudentAid.gov](#)

### **LEARN MORE ON THE FSA WEBSITE**

[Develop a Plan to Keep You on Track](#) [Learn About Managing Your Account](#)

### **DIRECT LOAN CONSOLIDATION**

Federal loan consolidation can be helpful for borrowers who want to combine their eligible federal student loans into a single Direct Consolidation Loan. It's important to understand and carefully consider all factors before consolidating.

Consolidation into the Direct Loan program may allow borrowers with FFELP loans to take advantage of repayment plans or forgiveness options created solely for Direct Loans. You should weigh the advantages and disadvantages before you take this action.

Keep in mind that if you are paying your current loans under an Income-Driven Repayment plan, or making qualifying payments toward Public Service Loan Forgiveness, then you will lose any credit toward loan forgiveness for payments made prior to consolidation.

If you consolidate, you may lose borrower benefits that are associated with your current loans, such as interest rate reduction, timely payment incentives, or some loan cancellation benefits. You may lose benefits under the Servicemembers Civil Relief Act if you consolidate while on active duty.

### **Adding Other Loans to a Consolidation Loan**

You may also add eligible federal loans to your existing Direct Consolidation Loan using the form below if you are within 180 days of the date we paid off the first loans you are consolidating. After 180 days, you will need to apply for a new Direct Consolidation Loan.

[Learn More on the FSA Website](#) [Apply Online at StudentAid.gov](#)

## **PAYMENT POSTPONEMENT**

### **Deferment**

Deferment is a period when you postpone making payments on your loan. You are not responsible for paying accrued interest on subsidized federal loans during most deferments. You typically remain responsible for interest that accrues on your unsubsidized loans.

#### **Cancer Treatment**

You may be eligible if you are receiving treatment for cancer.

#### **Economic Hardship**

If you're having temporary issues making your student loan payments due to economic hardship or serving in the Peace Corps, you may be eligible for up to three years of deferment.

#### **Education-Related**

You're eligible if you're enrolled at an eligible school at least half time or in a graduate fellowship program. A Parent PLUS Loan may also be eligible if the student is enrolled in school at least half time. There is a deferment for Health Education Assistance Loan (HEAL) borrowers as well.

#### **Military Service and Post-Active Duty**

You can postpone federal loan payments if you are an eligible servicemember serving active duty during a war, military operation, or national emergency. For Post-Active Duty, you may be eligible if you were serving active duty in connection with a war, military operation, or national emergency, for the 13-month period following the conclusion of that service, or until you return to college or career school on at least a half-time basis, whichever is earlier.

#### **Rehabilitation Training Program**

You may be eligible if you are enrolled in an approved rehabilitation training program for the disabled.

#### **Unemployment**

If you're unemployed, or working less than 30 hours per week, and seeking full-time employment, you may be eligible for up to three years of deferment.

#### **Do you have pre-1993 loans?**

If you are a Direct Loan borrower who had a balance on a FFELP loan that was made before July 1, 1993 at the time you received your first Direct Loan, or if you are a FFELP loan borrower who received loans before July 1, 1993, you may be eligible for additional deferments or your deferment options may be different from the deferments described above.

[Log In to Request a Deferment](#)

## **Forbearance**

Forbearance is a period during which your monthly loan payments are temporarily suspended or reduced. Payments are postponed, but interest will accrue during the forbearance period. Unpaid interest may be capitalized in connection with forbearance, which will increase your total loan cost. See your Promissory Note for details relating to capitalization of interest.

**NOTE:** The use of forbearance may cause the loss of borrower benefits – such as repayment incentives that can lower your interest rate.

### **General Forbearance**

You may be eligible if you are experiencing temporary hardship related to financial difficulties, change in employment, medical expenses, and other situations. Be sure to explore any deferment options for which you may be eligible.

### **Mandatory Forbearance**

You may be eligible while in medical or dental internship/residency, on National Guard active duty, or performing service that qualifies you for a partial repayment under the Department of Defense Student Loan Repayment Program.

### **Student Loan Debt Burden Forbearance**

You may be eligible depending on your total student loan debt and your income. Be sure to explore other options, as you may qualify for deferment or for Income-Driven Repayment plans.

### **Teacher Loan Forgiveness Forbearance**

You may be eligible to postpone federal student loan payments while you are performing qualifying teaching service to earn Teacher Loan Forgiveness. If you teach full-time for five complete and consecutive academic years in a low-income elementary school, secondary school, or educational service agency, you may be eligible for forgiveness of up to \$5,000 (or up to \$17,500 if you meet the criteria of a highly qualified teacher) on your Direct or FFELP loans.

[Log In to Request a Forbearance](#)

## **LOAN FORGIVENESS, CANCELLATION, AND DISCHARGE**

In certain situations, you can have your federal student loan forgiven, cancelled, or discharged. Find out whether you qualify due to your job or other circumstances.

Beginning with the January 1, 2021, tax year and through the January 1, 2025, tax year, all discharge or forgiveness of any federal loan balances are no longer federally taxable.

You should consult your tax advisor concerning the income tax consequences of any loan forgiveness, cancellation, or discharge.

[Learn More on the FSA Website](#)

## TEACHER LOAN FORGIVENESS

If you teach full-time for five complete and consecutive academic years in a:

- Low-income elementary school,
- Low-income secondary school, or
- Educational service agency

You may be eligible for forgiveness of up to \$5,000 (or up to \$17,500 if you meet the criteria of a highly qualified teacher) on your Direct or FFELP loans.

If you reside or work in Puerto Rico or the U.S. Virgin Islands and were affected by Hurricanes Maria or Irma, you may be eligible for a one-year gap in your five-year complete and consecutive academic years requirement.

[Learn More on the FSA Website](#)

**Need help?** Check out these useful tips on [how to complete the Teacher Loan Forgiveness application](#)

## PUBLIC SERVICE LOAN FORGIVENESS

If you are employed by a government or not-for-profit organization, including religious organizations, you may be able to receive loan forgiveness under the Public Service Loan Forgiveness Program.

The Public Service Loan Forgiveness (PSLF) Program forgives the remaining balance on your Direct Loans after you have made 120 (10 years) qualifying monthly payments under a qualifying repayment plan while working full-time for a qualifying employer.

FFELP borrowers may consolidate to Direct Loans to take advantage of programs such as PSLF.

[Learn More to See if You Might Qualify](#)

**Need help?** There's a tool to assist you in completing the forms required for this program.

[Use the PSLF Help Tool on StudentAid.gov](#)

### You have options if you were denied PSLF

If your application for PSLF was denied, you may be able to receive loan forgiveness under the Temporary Expanded Public Service Loan Forgiveness (TEPSLF) opportunity.

As part of this opportunity, the Department of Education reconsiders your eligibility using an expanded list of qualifying repayment plans.

This TEPSLF opportunity is temporary, has limited funding, and will be provided on a first come, first served basis. Once all funds are used, the TEPSLF opportunity will end.

[Visit StudentAid.gov](#) for detailed information on how to be reconsidered for loan forgiveness.

Qualified candidates: [Download the Public Service Loan Forgiveness \(PSLF\) & Temporary Expanded PSLF \(TEPSLF\) Certification & Application \(PSLF Form\) >](#)

## Total and Permanent Disability (TPD) Discharge

If you are totally and permanently disabled, you may qualify for a total and permanent disability (TPD) discharge of your federal student loans. If you receive a TPD discharge, you will no longer be required to repay your loans. Before your federal student loans can be discharged, you must provide information to the U.S. Department of Education to show that you are totally and permanently disabled.

You can show that you are totally and permanently disabled in any of the following ways:

- If you are a veteran, you can submit documentation from the Department of Veterans Affairs showing that you've been determined to be unemployable due to a service-connected disability.
- If you are receiving Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits.
- If your physician certifies that you are totally and permanently disabled.

Each option has specific requirements for the supporting documentation that you must submit with your TPD discharge application.

[Learn and Apply on the TPD Website](#)

## Discharge Due to Death

Federal student loans may be discharged due to the death of the borrower or the student for which a PLUS loan was obtained. Documentation of death is required.

[Contact Us to Learn More](#)