



## SECTION 5: FORBEARANCE DESCRIPTIONS

**Economic Hardship (Excessive Student Loan Debt Burden):** This type of forbearance is granted to borrowers who have excessive student loan debt burden. For purposes of this forbearance, excessive student loan debt is defined as having Federal student loan payments that are greater than or equal to 20 percent of the borrower's monthly gross income. Maximum eligibility for this forbearance is 36 months. In order to be considered for this forbearance type, attach: (A) Proof of your most recent monthly gross income that clearly indicates the pay period (such as copies of your pay stubs within the last 30 days) or check the box on the front of the form if you receive no income or are self employed. If you are self employed and cannot provide traditional documentation of income (i.e. pay stubs), check the box on the front of the form that states "I Am Self Employed", provide a self-certifying statement of projected monthly income from all sources and documentation of the newly formed business and documentation of your involvement in the business (i.e. a statement from your accountant). (B) Documentation of monthly payments due on any Federal student loan(s) not serviced by AES. If your student loan debt payments divided by your monthly gross income is less than 0.2, you do not qualify for this forbearance.

**Temporary Hardship:** This discretionary forbearance option is granted to borrowers who intend to repay their loan(s) but show that repayment of their student loan(s) at the present time would constitute a hardship. Reasons for this may include financial difficulty or hardship created as the result of having a dependent student for whom a PLUS loan was received attending school on at least a half-time basis.

**In-School:** This discretionary forbearance option is granted to borrowers who return to school but do not meet the appropriate deferment criteria. In order to be considered for this forbearance type, list the name of the school and the dates of attendance in SECTION 2. You may be required to have a school official certify this information if we are unable to verify this enrollment through the National Student Clearinghouse. In the event a certification is required and AES is unable to obtain a certification, your request for a forbearance will be denied.

**Internship/Residency:** This type of forbearance is granted to borrowers who have used their maximum 24 months of Internship/Residency deferment time or are not eligible to receive an Internship/Residency deferment. In order to be considered for this forbearance type, attach documentation verifying your internship/residency position and the dates you are participating in the program or have SECTION 3 completed by an authorized official. If your Internship/Residency is not at an Institution of Higher Education, Hospital or Health Care Facility, you must also attach a statement from the appropriate state licensing agency certifying that the program is required in order for you to be certified for professional practice or service.

**Department of Defense Loan Repayment Program:** This type of forbearance is granted to borrowers who are eligible to have either all or part of their student loans repaid by the Department of Defense (DOD). In order to be considered for this forbearance type, attach official documentation demonstrating your eligibility or have SECTION 3 completed by an authorized official.

## SECTION 6: ADDITIONAL INFORMATION

### CO-MAKER INFORMATION

If there is a co-maker(s) on the loan(s) for which you are requesting a forbearance, the co-maker(s) must also apply and be eligible for the same or different forbearance type during the same period of time in order for you to be eligible. If the co-maker is applying for the same forbearance type, one form may be used as long as both signatures are present and the proper documentation (if necessary) is attached for both parties. If the co-maker is applying for a different forbearance type, two forms are required.

### EFT BORROWERS

If you are currently using our Electronic Funds Transfer service, Direct Debit, and will not have the funds available for your next scheduled debit, call us at least 3 business days prior to your due date to have the EFT payment suspended for 30 days. This should allow you time to submit your forbearance request. However, keep in mind that until your request for forbearance is approved you remain responsible for any EFT payments that you requested to have suspended as well as for any future EFT debits.

### EXPLANATION OF INTEREST CAPITALIZATION

Capitalization of interest is the addition of outstanding accrued interest to the current principal balance of the loan.

AES will automatically capitalize outstanding interest at the expiration of a forbearance period. However, while your account is in forbearance, you will receive periodic notices advising you of the amount of interest which has accrued on your loan(s). These notices afford you the opportunity to satisfy outstanding interest before capitalization. Capitalization of interest results in a higher principal balance and additional finance charges over the course of repayment and may cause your monthly payment amount to increase.

For More Information Call Us Toll Free At **1-800-233-0557**

Or Visit Our Website at **[www.aesSuccess.org](http://www.aesSuccess.org)**