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NMLS ID 1130708

Military Service and Post-Active Duty Student Deferment Instructions

The following Military Service and Post-Active Duty Student Deferment Request form is available for borrowers who are in the military and need to postpone loan repayment during certain periods of active duty and immediately following active duty.

Refer to Section 7 of the deferment application for information regarding eligibility requirements.

To apply for this deferment:

- Complete Sections 1 and 2
- Sign and date Section 3
 - You may have a representative sign and date on your behalf.
- Have an authorized official complete Section 4. You may, alternatively, provide one of the following, which should include the period of qualifying service:
 - Submit a written statement from your commanding officer
 - Submit a written statement from your personnel officer
 - Provide a copy of your military orders
- Retain copies for your records
- Submit completed pages 1 through 2

Return the completed deferment form along with any required documents via fax to (502) 329-7077, mail to the address listed above, or a scanned copy may be uploaded to our website.

If your service is extended, you must reapply for this deferment at the end date provided on this form to keep the deferment in place. Your loans may be eligible for the 6% interest cap during your active military service.

We will notify you when your request has been processed. If you have any questions regarding this deferment application or your student loans, contact a servicing team member at the number provided or visit our website at ARCServicing.com

Sincerely,

Loan Servicing Center



MILITARY SERVICE AND POST-ACTIVE DUTY STUDENT DEFERMENT REQUEST

OMB No. 1845-0080
OMB Approved
Exp. Date: 10/31/2022

William D. Ford Federal Direct Loan (Direct Loan) Program/Federal Family Education Loan (FFEL) Program/Federal Perkins Loan (Perkins Loan) Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN _____

Name _____

Address _____

City _____ State _____ Zip Code _____

Telephone - Primary _____

Telephone - Alternate _____

Email _____

SECTION 2: DEFERMENT REQUEST

Carefully read the entire form before completing it. If you are requesting only the Military Service Deferment, a representative may complete and sign this form on your behalf if you are unable to do so. If you are requesting the Post-Active Duty Student Deferment or both deferments, you, not a representative, must complete and sign this form.

If you are a member of the National Guard (including a member in retired status) during a time when a governor activated National Guard personnel for active state duty for a period of more than 30 consecutive days and qualify for a Post-Active Duty Student Deferment, but not the Military Service Deferment, you may request forbearance through your loan holder for your period of active duty service.

Military Service Deferment. By checking this box, I request that my loan holder defer repayment of my eligible loans:

- Beginning on the date I began performing the military service that qualifies me for the deferment unless I provide an optional later date (mm-dd-yyyy): _____.
- Ending 180 days following completion of my qualifying military service.

Post-Active Duty Student Deferment. By checking this box, I request that my loan holder defer repayment of my eligible loan(s) following the completion of my qualifying active duty service and any applicable grace period. My deferment will end the earlier of the date I resume enrollment at an eligible school on at least a half-time basis or 13 months following the completion date of my active duty service and any applicable grace period.

If I am also granted a Military Service Deferment, the 180-day period described above will run at the same time as my Post-Active Duty Student Deferment period. Therefore, I will receive no more than 13 months of deferment following the completion of my qualifying military service.

Enter the name of the school where you were enrolled on at least a half-time basis when you were called to active duty or within 6 months before the date you were called to active duty, and the date you were last enrolled at least half time at the school:

Name of School _____

Date Last Enrolled At Least Half Time (mm-dd-yyyy) _____

Borrower Name _____ **Borrower SSN** _____

SECTION 3: BORROWER CERTIFICATIONS AND AUTHORIZATION

- **I certify that:** (1) The information I have provided on this form is true and correct. (2) I will provide additional documentation to my loan holder, as required, to support my deferment eligibility. (3) I will notify my loan holder immediately when my eligibility for the deferment ends. (4) I have read, understand, and meet the eligibility requirements and terms and conditions of the deferment(s) for which I have applied, as explained in Sections 2, 4, 6, and 7.
- **I authorize** the entity to which I submit this request and its agents to contact me regarding my request or my loan(s) at any cellular telephone number that I provide now or in the future using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Borrower's Signature _____ **Date** _____

(or Representative's Signature for Military Service Deferments only)

Representative's Name (if applicable) _____ Relationship to Borrower _____

Representative's Address _____ Telephone _____

SECTION 4: AUTHORIZED OFFICIAL'S CERTIFICATION

Note: As an alternative to completing this section, you may submit a written statement from your commanding or personnel officer or a copy of your military orders. The statement or copy must include all information needed to establish the eligibility for the requested deferment(s), including the period of the qualifying service.

1. The borrower's qualifying service begins/began on (mm-dd-yyyy) _____
and ends/ended on (mm-dd-yyyy) _____
2. The borrower is (check one):
 - On Active State National Guard duty under which a Governor activates National Guard personnel based on State statute or policy and the activities of the National Guard are paid for with State funds. Skip to the paragraph after item 3.
 - A Reserve/retired member called to active duty under 10 USC 12301(a), 12301(g), 12302, 12304, 12306, or 688.
 - On full-time National Guard duty as defined in 10 USC 101(d)(5) under a call to active duty service authorized by the President or the Secretary of Defense.
 - Reassigned to another duty station other than where the member is normally assigned.
 - None of the above - The borrower is not eligible for the deferment.
3. The military service is in connection with (check one):
 - A contingency operation (continue to Item 4)
 - A national emergency (continue to Item 4)
 - A war (continue to Item 4)
 - None of the above - The borrower is not eligible. Do not complete this form.

4. Enter the name of the contingency operation, national emergency, or war: _____

I certify, to the best of my knowledge and belief, that the information I have provided in this section is accurate and the borrower's service meets the eligibility requirements for the deferment(s) checked in Section 2 and as described in Sections 6 and 7, as applicable.

Name of Military Branch or National Guard Component _____

Address _____ City, State, Zip Code _____

Name and Title of Authorized Official _____ Telephone _____

Official's Signature _____ **Date** _____

SECTION 5: INSTRUCTIONS FOR COMPLETING THE DEFERMENT REQUEST

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Example: January 31, 2020 = 01-31-2020. Include your name and account number on any documentation that you are required to submit with this form. If you want to apply for a deferment on loans that are held by different loan holders, you must submit a separate deferment request to each loan holder. If you have loans made jointly (as co-makers), both borrowers must individually meet the requirements for a deferment and each of you must submit a separate deferment request. **Return the completed form and any required documentation to the address shown in Section 8.**

SECTION 6: DEFINITIONS

MILITARY SERVICE DEFERMENT DEFINITIONS

Active duty means full-time duty in the active military service of the United States as defined in 10 USC 101(d)(1), but does not include training or attendance at a service school.

Serving on active duty during a war or other military operation or national emergency means service by an individual who is **(1)** a Reserve of an Armed Force ordered to active duty under 10 USC 12301(a), 12301(g), 12302, 12304, or 12306; **(2)** a retired member of an Armed Force ordered to active duty under 10 USC 688 for service in connection with a war or other military operation or national emergency, regardless of the location at which the active duty service is performed; or **(3)** any other member of an Armed Force on active duty in connection with the emergency or subsequent actions or conditions who has been assigned to a duty station at a location other than the location where the member is normally assigned.

Military operation means a contingency operation as defined in 10 USC 101(a)(13). A contingency operation is a military operation that **(1)** is designated by the Secretary of Defense as an operation in which members of the Armed Forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or **(2)** results in the call or order to, or retention on, active duty of members of the uniformed services under 10 USC 688, 12301(a), 12302, 12304, 12304(a), 12305, or 12406; 10 USC Chapter 15; or any other provision of law during a war or during a national emergency declared by the President or Congress.

National emergency means the national emergency by reason of certain terrorist attacks declared by the President on September 14, 2001, or subsequent national emergencies declared by the President by reason of terrorist attacks.

Qualifying National Guard duty during a war or other operation or national emergency means service as a member of the National Guard on full-time National Guard duty, as defined in 10 USC 101(d)(5), under a call to active service authorized by the President or the Secretary of Defense. The training or other duty must be performed for more than 30 consecutive days under 32 USC 502(f) in connection with a war, other military operation, or national emergency as declared by the President and supported by federal funds.

POST-ACTIVE DUTY STUDENT DEFERMENT DEFINITIONS

For a Reserve or retired member of an Armed Force, **active duty** means full-time duty in the active military service of the United States as defined in 10 USC 101(d)(1) for at least 30 consecutive days of service, but does not include training or attendance at a service school.

For a member of the National Guard, **active duty** means **(1)** active state duty under which a governor activates National Guard personnel based on state law or policy and the activities of the National Guard are paid for with state funds; and **(2)** full-time National Guard duty under which a governor is authorized, with the approval of the President or the Secretary of Defense, to order a member to state active duty and the activities of the National Guard are paid for with federal funds. Active duty for this deferment does not include **(1)** active duty for training or attendance at a service school, or **(2)** employment in a full-time, permanent position in the National Guard unless you are reassigned to active state duty or full-time National Guard duty as described in **(1)** and **(2)** of the preceding sentence.

COMMON DEFINITIONS

The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans.

The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans, Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).

The **Federal Perkins Loan (Perkins Loan) Program** includes Federal Perkins Loans, National Direct Student Loans (NDSL), and National Defense Student Loans (Defense Loans).

An **authorized official** who may complete Section 4 is your commanding or personnel officer.

Capitalization is the addition of unpaid interest to the principal balance of your loan. Capitalization causes more interest to accrue over the life of your loan and may cause your monthly payment amount to increase. Interest never capitalizes on Perkins Loans. Table 1 (on page 4) provides an example of the monthly payments and the total amount repaid for a \$30,000 unsubsidized loan.

SECTION 6: DEFINITIONS (CONTINUED)

The example loan has a 6% interest rate and the example deferment or forbearance lasts for 12 months and begins when the loan entered repayment. The example compares the effects of paying the interest as it accrues or allowing it to capitalize.

A **co-maker** is one of the two individuals who are joint borrowers on a Direct or Federal Consolidation Loan or a Federal PLUS Loan. Both co-makers are equally responsible for repaying the full amount of the loan.

A **forbearance** is a period during which you are allowed to stop making payments, an extension of time for making payments, or to make smaller payments. Interest continues to accrue during forbearance and will capitalize at the conclusion of the forbearance period if not paid.

A **deferment** is a period during which you are entitled to postpone repayment of your loans. Interest is not generally charged to you during a deferment on your subsidized loans. Interest is always charged to you during a deferment on your unsubsidized loans. On loans made under the Perkins Loan Program, all deferments are followed by a post-deferment grace period of 6 months, during which time you are not required to make payments.

The **holder** of your Direct Loans is the Department. The holder of your FFEL Program loans may be a lender, guaranty agency, secondary market, or the Department. The holder of your Perkins Loans is an institution of higher education or the Department. Your loan holder may use a servicer to handle billing and other communications related to your loans. References to "your loan holder" on this form mean either your loan holder or your servicer.

A **subsidized loan** is a Direct Subsidized Loan, a Direct Subsidized Consolidation Loan, a Federal Subsidized Stafford Loan, portions of some Federal Consolidation Loans, Federal Perkins Loans, NDSL, and Defense Loans.

An **unsubsidized loan** is a Direct Unsubsidized Loan, a Direct Unsubsidized Consolidation Loan, a Direct PLUS Loan, a Federal Unsubsidized Stafford Loan, a Federal PLUS Loan, a Federal SLS, and portions of some Federal Consolidation Loans.

Table 1. Capitalization Chart

Treatment of Interest with Deferment/Forbearance	Loan Amount	Capitalized Interest	Outstanding Principal	Monthly Payment	Number of Payments	Total Repaid
Interest is paid	\$30,000	\$0	\$30,000	\$333	120	\$41,767
Interest is capitalized at the end	\$30,000	\$1,800	\$31,800	\$353	120	\$42,365
Interest is capitalized quarterly and at the end	\$30,000	\$1,841	\$31,841	\$354	120	\$42,420

SECTION 7: ELIGIBILITY REQUIREMENTS AND TERMS/CONDITIONS

Military Service Deferment Eligibility Requirements

You may defer repayment of your loans **(1)** while you meet the definitions in Section 6 of **(a)** "Serving on active duty during a war or other military operation or national emergency", or **(b)** performing "Qualifying National Guard duty during war or other operation or national emergency", and **(2)** for an additional 180 days following the completion of your qualifying military service.

You must provide your loan holder with a copy of your military orders or a written statement from your commanding or personnel officer, or you must have your commanding or personnel officer certify in Section 4 on this form.

Post-Active Duty Student Deferment Eligibility Requirements

You may defer repayment of your loans after your active duty military service and any applicable grace period until the earlier of **(1)** the date you resume enrollment at an eligible school on at least a half-time basis, or **(2)** 13 months following the completion of your active duty military service and any applicable grace period, if **(a)** you are a member of the National Guard or other reserve component of the Armed Forces or a retired member, and your service includes a period on or after October 1, 2007; **(b)** you were enrolled at least half time at an eligible school when you were called to active duty or within 6 months before the date you were called to active duty; **(c)** you provide your loan holder with the name of the school you attended and your last date of attendance; and **(d)** you provide your loan holder with a copy of your military orders or a written statement from your commanding or personnel officer, or your commanding or personnel officer certifies in Section 4.

SECTION 7: TERMS/CONDITIONS (CONTINUED)

Terms and Conditions

You are not required to make payments of loan principal during your deferment. Interest will not accrue on your Perkins Loan Program loan(s) or on your subsidized Direct Loan or FFEL Program loan(s) during your deferment. However, interest will accrue on your unsubsidized Direct Loan and FFEL Program loans, unless you qualify for the Direct Loan Program's no interest accrual benefit for active duty service members as explained below.

You may pay the interest that accrues on your unsubsidized Direct Loan and FFEL Program loans during your deferment. Your loan holder may capitalize interest that you do not pay during the deferment period on your unsubsidized Direct Loan and FFEL Program loans.

If your deferment does not cover all your past due payments, your loan holder may grant a forbearance on your loan(s) for all payments due before the begin date of your deferment. If the period for which you are eligible for a deferment has ended and if your loans were made through the Direct Loan and/or FFEL Program(s), your loan holder may grant a forbearance on your loan(s) for all payments due when your deferment request is processed. Interest that accrues during this forbearance may be capitalized. Unpaid interest that accrues on a Perkins Loan Program loan during a forbearance period is not capitalized.

Your loan holder may grant a forbearance on your Direct Loan and/or FFEL Program loan(s) for up to 60 days, if necessary, for the collection and processing of documentation related to your deferment request. Interest that accrues during this forbearance period will not be capitalized.

If you are a Direct Loan borrower, no interest will be charged on your Direct Loan Program loan(s) that was first disbursed on or after October 1, 2008, or on the portion of a Direct Consolidation Loan that repaid a Direct Loan and/or FFEL Program loan(s) that was first disbursed on or after October 1, 2008, for a period not to exceed 60 months while you **(1)** qualify for a Military Service Deferment (see Section 2) as described in Sections 6 and 7, and **(2)** serve in an area of hostilities in which service qualifies for special pay under 37 USC 310, as certified by an authorized official in Section 4, or documented in a written statement from your commanding or personnel officer or in a copy of your military orders.

Note: If you have loans that you obtained before going on active duty military service, you may be eligible to limit the interest rate on your loans to 6% during the period of your active duty military service under the Servicemembers Civil Relief Act (SCRA). Your loan holder will check the U.S. Department of Defense's Defense Manpower Data Center (DMDC) in conjunction with the information provided with this deferment request to determine your eligibility.

SECTION 8: WHERE TO SEND THE COMPLETED DEFERMENT REQUEST

Return the completed form and any documentation to: (If no address is shown, return to your loan holder.)

ARC Servicing
PO Box 24328
Louisville, KY 40224-0328
Fax: (502) 329-7077

If you need help completing this form, call:
(If no telephone number is shown, call your loan holder.)

(800) 693-8220

SECTION 9: IMPORTANT NOTICES

Privacy Act Notice. The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq., §451 et seq., or §461 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq., 20 U.S.C. 1087a et seq., or 20 U.S.C. 1087aa et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a) (4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program, Federal Family Education Loan (FFEL) Program, or Federal Perkins Loan (Perkins Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan, FFEL, or Federal Perkins Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans become delinquent or default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loans, to enforce the terms of the loans, to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions.

To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0080. Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 674.34, 682.210, or 685.204.

If you have comments or concerns regarding the status of your individual submission of this form, please contact your loan holder directly (see Section 8).