

Economic Hardship Deferment Borrower Eligibility Calculation Worksheet*

Complete the following steps to see if you (or for FAOs, your borrowers) meet the requirements for hardship deferment as defined in Section 2, **condition number 6** of the Economic Hardship Deferment Request form. Economic Hardship Deferment is available for ‘new’ FFEL and Direct Loan Program borrowers (borrowers with no outstanding loans as of July 1, 1993 or who had no balance when they took out a new loan after that date) and Federal Perkins borrowers. Contact your loan servicer(s) for details. Poverty level figures are subject to change annually.

1. Borrower’s total monthly payments on Federal education loans _____
 (GSL, Stafford, Grad PLUS, Consolidation, SLS, Perkins, PCL, HPSL, LDS, HEAL) amortized over 10 years, Standard (Level) Repayment
- 2a. Borrower’s monthly gross income from all sources** _____
- 2b. 20% of borrower’s monthly gross income from all sources _____
 (.20 times 2a above)
3. Does the figure in #1 (above) EQUAL OR EXCEED 2b? _____
 If the answer is NO, you DO NOT qualify for the economic hardship deferment.
 If the answer is YES, continue to #4.
4. Monthly gross income from all sources minus total monthly _____
 payments on Federal education loans (2a. minus 1.)

5. (Incomes listed represent 150% of the 2009 poverty guideline for family size shown)

Family size	48 contiguous states & D.C.	Alaska	Hawaii
1	\$16,245	\$20,295	\$18,690
2	\$21,855	\$27,315	\$25,140
3	\$27,465	\$34,335	\$31,590
4	\$33,075	\$41,355	\$38,040
5	\$38,685	\$48,375	\$44,490
For each additional person, add:	\$ 5,610	\$ 7,020	\$ 6,450

- 5a. Using the above chart, select the income for your family size _____
- 5b. Multiply the income in 5a by 2.2_____ then divide by 12 = _____
- 5c. Is your answer to #4 less than the result in #5b above (YES or NO)? _____
 If the answer is NO, you DO NOT qualify for the economic hardship deferment.
 If the answer is YES, you MAY qualify for the economic hardship deferment.***

* This worksheet assumes the borrower is working full time and is making more than either
 a) the federal minimum wage or b)150% of the 2009 poverty guideline applicable to the
 borrower’s family size (subject to change each year).

** All sources does not include spouse. (Note that some Servicers may not exclude spouse’s
 income if a joint tax return is submitted as proof of income documentation.)

*** Always check with your Loan Servicer regarding your eligibility.