# LOAN DISCHARGE APPLICATION: FALSE CERTIFICATION (DISQUALIFYING STATUS)

OMB No. 1845-0058
Form Approved
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**William D. Ford Federal Direct Loan (Direct Loan) Program**
**Federal Family Education Loan (FFEL) 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 IDENTIFICATION

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 _____

E-mail (optional) _____

## SECTION 2: DISQUALIFYING STATUS INFORMATION

To qualify for a loan discharge based on false certification due to a disqualifying status you (or, for a parent PLUS borrower, the student) must have been unable—at the time the school originated or certified your loan—to meet the **legal requirements for employment** in your state of residence (or, for a parent PLUS borrower, the student's state of residence) in the occupation for which the program of study was intended.

**1.** You are applying for this loan discharge as a:

☐ Student borrower – Skip to Item 4.
☐ Parent borrower – Continue to Item 2.

**2.** Student Name (Last, First, MI):

_____

**3.** Student SSN:

__ __ __ - __ __ - __ __ __ __

**4.** School Name:

_____

**5.** School Address (street, city, state, zip code):

_____

_____

**6.** Dates of attendance at the school:

_____ to _____

**7.** Name of the program of study that you (or, for a parent PLUS borrower, the student) were enrolled in when the school certified or originated the loan that you are requesting to have discharged:

_____

**8.** Indicate your disqualifying status by checking the appropriate box(es) below:

☐ Age
☐ Physical condition
☐ Mental condition
☐ Criminal record
☐ Other (specify): _____

**9.** You must provide documentation to prove that you (or, for a parent PLUS borrower, the student) had the disqualifying status indicated in Item 8. You must also document the state legal requirements for employment that you (or, for a parent PLUS borrower, the student) could not meet. Provide a citation to the specific state law or regulation below, or attach a copy of the law or regulation to your application.

_____

_____

**10.** Before certifying or originating the loan, did the school ask you (or, for a parent PLUS borrower, the student) if the disqualifying status in Item 8 existed?

☐ Yes – Skip to Item 12.
☐ No – Continue to Item 11.
☐ Don't Know – Continue to Item 11.

**Borrower Name:** _____ **Borrower SSN:** __ __ __ - __ __ - __ __ __ __

## SECTION 2: DISQUALIFYING STATUS INFORMATION (CONTINUED)

**11.** Did you (or, for a parent PLUS borrower, the student) inform the school of the disqualifying status before the loan was certified or originated?

- ☐ Yes
- ☐ No

**12.** Did you (or, for a parent PLUS borrower, the student) make any monetary claim with, or receive any payment from, the school or any third party (see definition in Section 5) in connection with enrollment or attendance at the school?

- ☐ Yes – Continue to Item 13.
- ☐ No – Skip to Item 16.
- ☐ Don't Know – Skip to Item 16.

**13.** Provide the following about the party with whom the claim was made or from whom payment was received:

**a.** Name: _____

**b.** Address (street, city, state, zip code):

_____

_____

**c.** Telephone number:

_____

**14.** What is the amount and the status of the claim?

**a.** Amount: $ _____

**b.** Status: _____

**15.** What was the amount of any payment received? If none, write "none".

$ _____

**16.** Did the holder of your loan receive any money back (a refund) from the school on your behalf?

- ☐ Yes – Continue to Items 17-18.
- ☐ No – Sign and date the form in Section 3. Submit the form and documentation to the loan holder in Section 7.
- ☐ Don't Know – Sign and date the form in Section 3. Submit the form and documentation to the loan holder in Section 7.

**17.** What was the amount of the refund?
$ _____

**18.** Explain why the money was refunded:

_____

_____

_____

Sign and date the form in Section 3. Submit the form and documentation to the loan holder in Section 7.

## SECTION 3: BORROWER CERTIFICATIONS, ASSIGNMENT, AND AUTHORIZATION

- **I certify** that—
  1. I have read and agree to the terms and conditions for loan discharge, as specified in Section 6.
  2. Under penalty of perjury, all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.
- **I hereby assign and transfer** to the U.S. Department of Education (the Department) any right to a refund on the amount discharged that I may have received from the school identified in Section 2 of this form and/or from any owners, affiliates, or assignees of the school, and from any third party that may pay claims for a refund because of the actions of the school, up to the amount discharged by the Department on my loan(s)**.**
- **I authorize** the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at the number that I provide on this form or at any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

**Borrower's Signature** _____ **Date** _____

## SECTION 4: INSTRUCTIONS FOR COMPLETING THE FORM

When completing this form, type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: February 10, 2014 = 02-10-2014. If you need more space to answer any of the items, continue on separate sheets of paper and attach them to this form. Indicate the number of the Item(s) you are answering and include your name and Social Security Number (SSN) on page 2 and all attached pages. **Return the completed form and any attachments to the address shown in Section 7.**

## SECTION 5: 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 (both subsidized and unsubsidized), Federal Supplemental Loans for Students (SLS), Federal PLUS Loans, and Federal Consolidation Loans.
- The **holder** of your Direct Loan Program loan(s) is the Department. The holder of your FFEL Program loan(s) may be a lender, a guaranty agency, 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.
- **Loan discharge** due to false certification (disqualifying status) cancels your obligation (and any endorser's obligation, if applicable) to repay the remaining portion on a Direct Loan or FFEL Program loan, and qualifies you for reimbursement of any amounts paid voluntarily or through forced collection on the loan. For consolidation loans, only the amount of the underlying loans that were used to pay for the program of study listed in Section 2 will be considered for discharge. The loan holder reports the discharge to all credit reporting agencies to which the holder previously reported the status of the loan and removes any adverse credit history previously associated with the loan.
- The **student** refers to the student for whom a parent borrower obtained a Direct PLUS Loan or Federal PLUS Loan.
- **Program of study** means the instructional program leading to a degree or certificate in which you (or, for parent PLUS borrowers, the student) were enrolled.
- **Origination and certification** are steps in a school's processing of a loan. In the Direct Loan Program, a loan is **originated** when the school creates an electronic loan origination record after determining that the borrower meets all loan eligibility requirements. In the FFEL Program, a loan is **certified** when the school signs a loan application or submits an electronic loan record to the lender or guaranty agency after determining that the borrower meets all loan eligibility requirements.
- **Third party** refers to any entity that may provide reimbursement for a refund owed by the school, such as a State or other entity offering a tuition recovery program or a holder of a performance bond.

## SECTION 6: TERMS AND CONDITIONS FOR LOAN DISCHARGE BASED ON FALSE CERTIFICATION

- You are only eligible for this form of discharge if you received the loan on which you are requesting discharge on or after January 1, 1986.
- By signing this form, you are agreeing to provide, upon request, testimony, a sworn statement, or other documentation reasonably available to you that designee that you meet the qualifications for loan demonstrates to the satisfaction of the Department or its discharge based on false certification (disqualifying status), or that supports any representation that you made on this form or on any accompanying documents.
- By signing this form, you are agreeing to cooperate with the Department or the Department's designee in any enforcement action related to this application.
- This application may be denied, or your discharge may be revoked, if you fail to provide testimony, a sworn statement, or documentation upon request, or if you provide testimony, a sworn statement, or documentation that does not support the material representation that you have made on this form or on any accompanying documents.

## SECTION 7: WHERE TO SEND THE COMPLETED FORM

Return the completed form and any documentation to:
U.S. Department of Education
P.O. Box 5609
Greenville, TX 75403-5609

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

## SECTION 8: 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. and §451 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq. and 20 U.S.C. 1087a 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 or the Federal Family Education Loan (FFEL) 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 and/or Direct Loan Programs, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) becomes delinquent or defaults. 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 loan(s), to enforce the terms of the loan(s), 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 1845-0058. 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 or retain a benefit (34 CFR 682.402(e)(3), or 685.215(c)). If you have comments or concerns regarding the status of your individual submission of this form, **contact your loan holder(s) (see Section 7) directly.**