

Instructions and General Information for Cancellations and Deferments

The deferment for cancellation and cancellation request are two processes that compliment each other. At the beginning of a service year the loans are granted a deferment of repayment while service is being performed. During the deferment period, no interest accrues and payments are not due. At the end of the deferment period, a cancellation request is granted canceling a portion of the loan for each completed year of service.

Deferments and cancellations can only be processed for periods that begin after the end of the academic period for which the loan was taken out. Additionally, deferments and cancellations cannot be granted for a borrower who has received an education benefit under Subtitle D or Title 1 of the National and Community Service Act of 1990 (AmeriCorps *VISTA).

To begin the complimentary process a certified deferment form should be sent to your Servicer at the beginning of your employment in a qualified service area. Only those payments that have a due date on or after the begin date through the end date of the deferment form are eligible for the deferment. If you fail to submit your deferment form timely, late charges may be assessed and your account may become delinquent, which could result in adverse credit history.

At the end of the service year, a certified cancellation form should be sent to your Servicer for processing a partial cancellation of your loan in accordance with your promissory note and a new deferment form for the upcoming next year if your eligibility continues. A cancellation is not valid if it is certified before the end date of the cancellation period. A new deferment cannot be processed for a second year, until the prior year cancellation benefit has been processed.

All forms must be completely filled out and properly certified. It is your responsibility to notify your Servicer immediately if your status changes during the deferment period.

You must refer to your promissory note to determine what deferment and cancellation benefit you can apply for.

Cancellation Eligibility Criteria

TEACHING IN ELEMENTARY OR SECONDARY SCHOOLS SERVING LOW-INCOME STUDENTS (5 years of service for 100% cancellation)

- You must be a full-time teacher, directly employed by the school system, in a public or other non-profit elementary or secondary school that the U.S. Department of Education has designated as a low-income school. The directory can be found at <http://www.ed.gov/offices/OSFAP/Students/repayment/teachers/perkins.html>.
- You must teach for a complete academic year or its equivalent.
- A teacher is a person who provides to students, direct classroom teaching, or educational services directly related to classroom teaching such as a school librarian or guidance counselor.
- A supervisor, administrator, researcher, or curriculum specialist is not a teacher.
- All Bureau of Indian Affairs (BIA) elementary and secondary schools qualify.

TEACHING SPECIAL EDUCATION IN ELEMENTARY OR SECONDARY SCHOOLS (5 years of service for 100% cancellation)

- You must be employed as a full-time special education teacher of infants and toddlers from birth to age 2, children or youth from ages 3 through 21 with disabilities who require special education and related services because they have disabilities as defined in section 602(a)(1) of the Individuals with Disabilities Education Act.

TEACHING IN FIELDS OF EXPERTISE IN ELEMENTARY OR SECONDARY SCHOOLS (5 years of service for 100% cancellation)

- You must be employed full-time teaching in mathematics, science, foreign languages, bilingual education or any other field or expertise where the state education agency determines that there is a shortage of qualified teachers.
- The majority of classes taught must be in the area of expertise.

HEAD START PRE-SCHOOL PROGRAM (15% of the original loan for each year of service)

- You must be employed as a full-time staff member in a position that is required to carry out the educational part of the Head Start pre-school program under section 222(a)(1) of the Economic Opportunity Act of 1964-5.
- You must complete an academic year or its equivalent.
- Your salary cannot exceed the salary of a comparable employee working in the local school district.

Appropriate Certifying Official

Principal, Assistant
Principal, District Office,
Human Resource Office

Principal, Assistant
Principal, District Office,
Human Resource Office

Principal, Assistant
Principal, District Office,
Human Resource Office

Program Director,
Supervisor, Human
Resource Office

NURSE OR MEDICAL TECHNICIAN

- You must be employed as a full-time nurse or medical technician who provides health care services.
- Medical technicians must be allied health professionals working in a field such as therapy, dental hygiene, medical technology, or nutrition, who is certified, registered or licensed by an appropriate state agency.
- An allied health professional is someone who assists, facilitates, or complements the work of physicians and other specialists in the health care system.
- A nurse is a licensed practical nurse, a registered nurse, or other individual who is licensed by an appropriate state agency.

Supervisor, Manager,
Human Resource Office

LAW ENFORCEMENT (5 years for 100% cancellation)

- You must be employed in full-time service as a sworn law enforcement officer or corrections officer or a person whose principal responsibilities are unique to the criminal justice system in a local, state or federal law enforcement or correction agency.
- Eligible agencies are publicly funded units where the principal activities pertain to crime prevention, control, reduction, or the enforcement of the criminal law.
- The activities include but are not limited to police efforts, activities of the courts having criminal jurisdiction and related agencies, activities of corrections, probation or parole authorities, and problems relating to the prevention, control or reduction of juvenile delinquency or narcotic addiction.
- Employment as a public defender does not qualify for cancellation as well as agencies that are primarily responsible for enforcement of civil, regulatory, or administrative laws are ineligible.

Commanding Officer,
Supervisor, Human
Resource Office

PEACE CORPS VOLUNTEER OR VOLUNTEER UNDER THE DOMESTIC VOLUNTEER SERVICE ACT (4 years of service for 100% cancellation)

- You must be a Peace Corps volunteer or volunteer under the Domestic Volunteer Service Act of 1973 (ACTION).
- You must not, as part of your duties, give religious instruction, conduct worship service, engage in religious proselytizing, or engage in fundraising to support religious activities.

Authorized official of the
Peace Corps at the
Division of Field
Operations, Washington,
DC 20506

CHILD OR FAMILY SERVICE AGENCY (5 years for 100% cancellation)

- You must be a full-time employee in a public or private non-profit child or family service agency, providing, or supervising the provision of services to only high-risk children and their families who are from low-income communities.
- High-risk children are individuals under the age of 21 who are low-income or at risk of abuse or neglect, have been abused or neglected, have serious emotional, mental, or behavioral disturbances, reside in placements outside of their homes, or are involved in the juvenile justice system.
- Low-income communities are communities in which there is a high concentration of children between the ages of 5 and 17 who are eligible to be counted under Title I of the Elementary and Secondary Education Act of 1964, as amended.
- Elementary or secondary school systems or hospitals are not eligible employing agencies.

Supervisor, Manager,
Human Resource Office

EARLY INTERVENTION (5 years for 100% cancellation)

- You must be employed as a full-time qualified professional provider or early intervention services as defined in section 672(2) of the Individuals with Disabilities Education Act, in a public or non-profit program under public supervision.
- You must provide service to infants and toddlers from birth to age 2, inclusive, who need early intervention services for specified reasons, as defined in section 672(1) of the Individuals with Disabilities Education Act, and who require special education and related services because of their disability.

Supervisor, Manager,
Human Resource Office

MILITARY SERVICE (4 years for 50% cancellation)

- You must be serving a period of full-time active duty in the armed forces (U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard, National Guard, Reserves) in an area of hostility or an area of imminent danger that qualifies for special pay under Section 310 of Title 37 of the U.S. Code.
- An "area of hostility" does not include special pay for such things as flight pay or service overseas in areas where additional pay is given for dependent's living allowances.

Commanding Officer