



# LOAN DISCHARGE APPLICATION: UNPAID REFUND

Federal Family Education Loan Program/William D. Ford Federal Direct Loan Program

OMB No. 1845-0058  
Form Approved  
Exp. Date 10/31/2004

**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying documents shall be subject to penalties which 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. If you make a correction, check this box:

SSN [ ] [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ] [ ] [ ]

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone - Home ( ) \_\_\_\_\_

Telephone - Other ( ) \_\_\_\_\_

E-mail (optional) \_\_\_\_\_

## SECTION 2: LOAN AND SCHOOL INFORMATION

**Before responding, carefully read the entire form, including the instructions and other information on the following page. If you are a student borrower applying for loan discharge, begin with Item 3. If you are a parent borrower applying for a PLUS loan discharge, begin with Item 1.**

1. Student's name (last, first, middle initial):	2. Student's SSN: [ ] [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ] [ ] [ ]
3. Name and address (street, city, state, zip) of the school that you believe owes you a refund:	4. Is this school still open? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't Know
	5. If this school closed, were you (or, for PLUS borrowers, was the student) attending when it closed? <input type="checkbox"/> Yes <input type="checkbox"/> No
6. a. Do you have any other application for discharge, pending or approved, for a loan you obtained to attend this school? <input type="checkbox"/> Yes <input type="checkbox"/> No	
b. Has your school or any third party (see definition of "third party" in Section 6, on the following page) made a payment for any loan for which you are requesting a discharge, or is any such payment being considered? <input type="checkbox"/> Yes <input type="checkbox"/> No	
7. If your answers to Items 6a and 6b are "No," proceed to Section 3. If your answer to Item 6a or 6b is "Yes," provide the information requested in Items 7a, 7b, and 7c for each discharge or payment, if known (use a separate sheet of paper if you need to report more than one discharge or payment).	
a. Reason for discharge or payment:	b. From whom (include telephone number) was the discharge or payment requested?
	c. Amount received or anticipated: \$ _____

## SECTION 3: REFUND INFORMATION

**If you have documentation from the school showing the amount of the unpaid refund, attach a copy to this form. If you agree with the amount, go on to Section 4. If you don't agree with the amount or you don't have this documentation, complete Items 8 through 13. If you don't know the response to an item in this section, write "Don't Know."**

8. What amount do you believe the school owes you? \$ _____	9. Why do you believe the school owes you this amount? _____
10. Your (or, for PLUS borrowers, the student's) first and last dates of attendance at the school: [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ] [ ] [ ] to [ ] [ ] - [ ] [ ] - [ ] [ ] [ ] [ ] [ ] [ ] OR <input type="checkbox"/> Never Attended	11. Your (or, for PLUS borrowers, the student's) program of study at the school: _____
12. This item requests the total amounts related to the period of enrollment for which the loan was intended. For example, if you received a loan for the spring quarter only and you left school during the spring quarter, provide an amount for that quarter only. However, if the loan was received for the winter and spring quarters, provide the total amount for both quarters.	
a. If your (or, for PLUS borrowers, the student's) last date of attendance was before October 7, 2000, enter the amount of the school's charges for the period of enrollment for which the loan was intended. Include tuition, fees, and other school charges in the amount.* \$ _____	
b. If your (or, for PLUS borrowers, the student's) last date of attendance was on or after October 7, 2000, enter the total amount of federal grants and loans received for any part of the period of enrollment for which the loan was intended.* \$ _____	
* If the unpaid refund is for more than one loan and the loans were intended for different periods of enrollment, provide the amounts requested in Item 12a or 12b for each period of enrollment separately, using a separate sheet of paper for your additional response(s).	
13. Attach a copy of any documentation that supports your responses to Items 8 through 12. Examples of documentation may include, but are not limited to, the school's catalog, refund policy, tuition bill(s), enrollment contract, student account statement, registration forms, withdrawal form, attendance records, and any correspondence from the school that contains information about the refund you believe the school owes you.	

## SECTION 4: BORROWER CERTIFICATION

My signature below certifies that -

- Each loan for which I am requesting a discharge was received by me, in whole or in part, on or after January 1, 1986. Those funds were either received by me directly or applied as a credit to my (or, for PLUS borrowers, the student's) school account to pay the amount owed to the school.
- I (or, for PLUS borrowers, the student) did not attend the school or, within the timeframe that would entitle me to a refund, withdrew or was terminated from the school. Except as identified in Section 2, Items 6 and 7, I have not received this refund, or any benefit of a refund to which I am entitled, from the school or any third party.
- I have read and agree to the terms and conditions that apply to this unpaid refund discharge, as specified in Section 7 on the following page.
- Under penalty of perjury, all of the information I have provided on this application and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

Borrower's Signature \_\_\_\_\_

Date \_\_\_\_\_

**SECTION 5: INSTRUCTIONS FOR COMPLETING THE FORM**

Before you complete this application, you need to know that –

- If the school is currently open, you may not apply for this type of discharge unless you have first contacted the school and attempted to resolve the issue. If the issue is not resolved, you may then apply for this type of discharge.
- You may not apply for this type of discharge if you are currently attending the school. If you (or, for PLUS borrowers, the student) are still attending the school, you should contact the school about the refund.
- If your school closed while you were enrolled (or if you withdrew from the school within 90 days before the school closed) and you did not complete your program of study at another school, you may wish to apply for a loan discharge based on the school's closure rather than a discharge based on the unpaid refund. If you are unsure about which type of loan discharge is most appropriate for you, contact your loan holder at the address shown in Section 9.

When completing this form, type or print using dark ink. For all dates, give month, day (if known), and year. Show dates as MM-DD-YYYY (for example, "July 01, 2001" = "07-01-2001"). 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 all attached pages. If a refund is owed for more than one student or from more than one school, use separate forms for each student or school.

Return the completed form and any attachments to the address shown in Section 9.

**SECTION 6: DEFINITIONS**

- 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 **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (Direct PLUS Loans), and Federal Direct Consolidation Loans (Direct Consolidation Loans).
- **Loan discharge** due to an unpaid refund cancels your obligation (and any endorser's obligation) to repay the portion of the loan that should have been refunded. Any accrued interest and other charges associated with the unpaid refund will also be discharged, and you will be reimbursed for any amount that you have repaid that exceeds the remaining balance of the loan after the discharge. The loan holder reports the discharge to all credit reporting agencies to which the loan holder previously reported the status of the loan.
- The **student** refers to the student for whom a parent borrower obtained a Federal PLUS Loan or Direct PLUS Loan.
- **Third party** refers to the holder of a performance bond, a State or other agency offering a tuition recovery program, or any other entity that may reimburse you for a refund that you are owed.

**SECTION 7: TERMS AND CONDITIONS FOR LOAN DISCHARGE BASED ON UNPAID REFUND**

- I agree to cooperate with the U.S. Department of Education (the Department) or the Department's designee in any enforcement action related to this application and to provide to the Department or the Department's designee, upon request, other documentation reasonably available to me that demonstrates that I meet the qualifications for an unpaid refund discharge.
- I assign and transfer to the Department any right to recovery on the amount discharged that I may have from the school identified in Section 2 of this form and/or any owners, affiliates or assigns of the school, and from any party that may pay claims for a refund because of the actions of the school, up to the amounts discharged by the Department on my loan(s).
- I understand that this request may be denied, or my discharge may be revoked, if I fail to cooperate, provide documentation, or meet any of the other terms of my agreement on this form.
- I understand that if my loan is discharged based on any false, fictitious, or fraudulent statements that I knowingly made on this form or on any accompanying documents, I may be subject to civil and criminal penalties under applicable federal law.

**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 428(b)(2)(A) *et seq.* and 451 *et seq.* of the Higher Education Act of 1965, as amended (20 U.S.C. 1078(b)(2)(A) *et seq.* and 20 U.S.C. 1087a *et seq.*) and the authority for collecting and using your Social Security Number (SSN) is 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)). Participating in the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct 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 FFEL Program and/or Direct Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect on your loan(s) if your loan(s) becomes delinquent or in 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 to third parties as authorized under routine uses in the appropriate systems of records. The routine uses of this information include its disclosure to federal, state, or local agencies, to other federal agencies under computer matching programs, to agencies that we authorize to assist us in administering our loan programs, to private parties such as relatives, present and former employers, business and personal associates, to credit bureau organizations, to educational institutions, and to contractors 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 counsel you in repayment efforts, to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, to locate you if you become delinquent in your loan payments or if you default, to provide default rate calculations, to provide financial aid history information, to assist program administrators with tracking refunds and cancellations, or to provide a standardized method for educational institutions efficiently to submit student enrollment status.

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 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 it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0058. The time required to complete this information collection is estimated to average 0.5 hours (30 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, DC 20202-4651

If you have any comments or concerns regarding the status of your individual submission of this form, write directly to the address shown below.

**SECTION 9: WHERE TO SEND THE COMPLETED LOAN DISCHARGE APPLICATION**

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

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