

## Deferment Eligibility

Deferment is a period when a borrower who meets certain criteria may suspend loan payments. For some loans, the Federal government pays the interest during deferment. On other loans, the interest accrues and is capitalized, and the borrower is responsible for paying it. It is important to continue making payments until the deferment is granted.

The information in the following chart is based on the assumption that 1) the borrower received a Federal Family Education Loan Program (FFELP) loan disbursed on or after July 1, 1993 and, at that time, the borrower had no outstanding FFELP loan balance and no loans disbursed prior to July 1, 1993 were left out of the consolidation loan; and 2) that the deferment eligibility is based on the borrower's eligibility.

Deferment Type	Stafford, Perkins* & SLS Loans	PLUS Loans	Consolidation Loans
In school full time	Unlimited	Unlimited	Unlimited
In school at least half time	Unlimited	Unlimited	Unlimited
Graduate/Fellowship	Unlimited	Unlimited	Unlimited
Rehabilitation training	Unlimited	Unlimited	Unlimited
Unemployment	Up to 3 years	Up to 3 years	Up to 3 years
Economic hardship	Up to 3 years (2)	Up to 3 years (2)	Up to 3 years (2)
Service in: Armed Forces, Public Health Service, ACTION, Peace Corps or tax-exempt organization volunteer	Unlimited (1)		
Teacher	Unlimited (1)		
Military Service	Unlimited (3)	Unlimited (3)	Unlimited (3)

(1) Perkins Only

(2) Effective July 1, 2000 – borrowers may be eligible for economic hardship deferment if they are serving in the Peace Corps

(3) Effective October 1, 2007 – there are various options to postpone payments depending on the type of military service and the loan status. There are no disbursement date restrictions.

\*Perkins borrowers may be eligible for partial loan cancellation if engaged in any of the following activities: military service, Head Start, Family Service Agent professional service provider, nurse or medical technician, full-time teacher.