

Direct Loans

William D. Ford Federal Direct Loan Program

Dear Borrower,

Thank you for your interest in the U.S. Department of Education's Direct Consolidation Loan Program.

Enclosed Is a Direct Consolidation Loan Application Package

Per your request, we have enclosed a Federal Direct Consolidation Loan Application/Promissory Note. The information below provides you with an overview of other items in this application package.

Items You Should Review Before Applying

Choosing a Direct Consolidation Loan is a decision that will affect your financial future. Enclosed are several documents that will help you make an informed decision. Please review the following documents before you complete your Application/Promissory Note:

- **Federal Direct Consolidation Loan Information Booklet:** Find answers to commonly asked questions and learn from helpful examples.
- **Borrower's Rights and Responsibilities:** Understand your rights and responsibilities from the start.
- **Application and Promissory Note Instructions:** Find helpful, line-by-line guidance and tips — a "must" when actually completing your application.

Estimate Your Monthly Repayment Amounts

Determining how much you will pay each month and for how long is essential to making the best decision for you. Use our online, interactive calculator at <http://www.loanconsolidation.ed.gov> or call us at 1-800-557-7392.

Additional Forms You May Need to Submit

This package includes four other forms that you may be required to submit with your Application/Promissory Note. Read each form carefully to determine whether you need to submit it. Following is a summary of each:

- **Additional Loan Listing Sheet:** Use this form if all of your loans do not fit into the space provided in Section D of your Application/Promissory Note.
- **Repayment Plan Selection Form:** Complete this form *only* if you are required, or select, to repay your consolidation loan through the Income Contingent Repayment (ICR) Plan.
- **Consent to Disclosure of Tax Information Form:** Complete this form *only* if you are required, or select, to repay your consolidation loan through the ICR Plan. This form provides your consent for the IRS to disclose your tax information to us. This information helps us determine a fair repayment amount given your financial situation.
- **Application Receipt Postcard:** Complete and return this postcard with your application if you want to be notified when we receive your Application/Promissory Note.

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Checklist of Items to Send Us

_____ Your completed application.

_____ A photocopy of the document(s) you used to complete Section D of the Application/Promissory Note, such as your most recent loan statement(s).

_____ Your selection of a repayment plan (item 31 in Section E).

- If you selected the ICR Plan, you must also complete the Repayment Plan Selection Form *and* the Consent to Disclosure of Tax Information Form.
- If you are consolidating a defaulted loan(s) and have not made satisfactory repayment arrangements, you must select the ICR Plan on the Repayment Plan Selection Form. Be sure to complete Section 4. See pages 2 and 3 of the *Federal Direct Consolidation Loans* booklet for additional information on consolidating a defaulted loan(s). (PLUS loans are not eligible for the ICR Plan.)

The Length of the Consolidation Process Varies

Generally, it takes 60 to 90 days to complete the consolidation process. Processing may take longer if your Application/Promissory Note is incomplete or if your loan holder(s) does not reply promptly to our request for loan pay-off information. We will contact you if we have questions.

You Need to Continue Making Payments

Continue making your monthly loan payments (if required to do so) until you receive written notification that your loan(s) has been successfully consolidated.

If you are having difficulty making your loan payments, contact your current loan holder(s) to find out how to postpone payment. Ask specifically about your “deferment” or “forbearance” options.

Additional Information and Assistance

The list below contains information on how to contact us and various methods for submitting your application.

- **E-mail** loan_consolidation@mail.eds.com
- **Phone** 1-800-557-7392 (TDD 1-800-557-7395)
8 a.m. to 8 p.m. EST, Monday through Friday
- **Web site** <http://www.loanconsolidation.ed.gov>
Apply online - it's fast, it's easy, and it reduces errors!
- **Express Phone Application** 1-888-758-9730
Apply by phone if you are consolidating only Direct Loans.

Again, thank you for your interest in the Direct Consolidation Loan Program.

Consolidation Department
Loan Origination Center

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