

## Borrower's Acknowledgement of Loan Obligation to Repay

The National Student Loan Data System (NSLDS) indicates that you have one or more student loans discharged because of a total and permanent disability. Before you can receive additional federal student loans, this form must be completed and returned to the LBCC Office of Financial Aid.

**Warning:** *If you receive student aid based on incorrect information, you may have to return it and/or pay fines and fees. If you purposely give false or misleading information on this form, you may be fined \$20,000, receive a prison sentence, or both.* **Affirmation:** *By signing below, I certify that all information I have submitted is accurate and verified with supporting documentation.*

### **SECTION I: TO BE COMPLETED BY BORROWER:**

**Consent for Release of Information:** *I authorize any physician, hospital, or other institution having records pertaining to the disability for which I had a loan(s) cancelled to make information from such records available to the U.S. Department of Education or the holder of my loan(s).*

Name of borrower (First, MI, Last)

APSU ID#:

\_\_\_\_\_

Address

City

State

Zip Code

\_\_\_\_\_

Telephone Number \_\_\_\_\_

***By signing this form, I acknowledge that any loans I receive hereafter cannot be canceled in the future on the basis of any present impairment or condition, unless the impairment or condition substantially deteriorates to the extent that the definition of total and permanent disability is met.***

Borrower Signature \_\_\_\_\_ Date \_\_\_\_\_

**GENERAL INFORMATION:** This form is used to obtain a borrower's acknowledgment. The purpose is to have a borrower certify he or she is able to engage in substantial gainful activity and to have the borrower acknowledge that any federal student loans received as a result of this certification cannot be canceled based on any present impairment or condition, unless that impairment or condition substantially deteriorates to the extent that the definition of total and permanent disability is met. This form will allow the borrower to secure additional loan(s) under one or more of the following Federal Loan Program: Direct Student Loans, PLUS Loans for Parents, PLUS Loans for Graduate Students, and Consolidation Loans.

**DEFINITION OF TOTAL AND PERMANENT DISABILITY:** The condition of an individual who is unable to engage in substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death; has lasted for a continuous period of at least 60 months; or can be expected to last for a continuous period of at least 60 months; OR has been determined by the Department of Veterans Affairs (VA) to be unemployable due to a service-connected disability.

This definition calls for a judgment decision as to the borrower's ability to earn income despite his or her disability. The physician is to assess the impact of the borrower's disability on his or her ability to earn income in light of what the borrower would normally be able to earn if he or she were not disabled. If the disability appears to have a significant adverse effect the borrower's earning potential, not only in the type of work performed before the impairment but for any substantial gainful employment, and the disability is expected to last for a long and indefinite period of time, then the borrower shall be considered permanently disabled under this definition. If, however, the borrower's condition has improved so that the borrower is able to engage in substantial gainful activity or attend an institution of postsecondary education, a reaffirmation (reinstatement, no longer in discharge status) can be processed to allow the borrower to complete procedures for eligibility for Title IV (federal) student aid.

**BORROWER INSTRUCTIONS:**

- The borrower must complete Section I.
- Return this completed form to APSU's financial aid office

**PRIVACY ACT NOTICE:** The Privacy Act of 1974 (5 U.S.C. 522a) requires that an agency provide the following notice to each individual whom it asks to supply information.

The authority for collecting the information requested on this form is found in 20 U.S.C. 1087, 42 U.S.C. 209 4k and 22 U.S.C. 2601. The principal purpose of this information is to verify the identity of the borrower; determine that the borrower is able to engage in substantial gainful activity, and in the event it is necessary, to locate the borrower's certifying physician. The routine uses of this information include its disclosure to Federal, State or local agencies, to guaranty agencies, to educational and financial institutions and to agency contractors for the purpose of: verifying the identity of the borrower and the borrower's physician; determining that the borrower is able to engage in substantial gainful activity; investigating possible fraud and verifying compliance with program regulations. Failure to provide the requested information may result in denial of the borrower's new loan request. This information is necessary to process requests for new Federal Loan Programs.

**Source:** U.S. Department of Education, "Physician Certification and Borrower's Acknowledgment of Obligation," 7-99 (L-54).