

# Perkins Loan Discharge and Cancellation Summary Chart

<i>Cancellation Conditions*</i>	<i>Amount Forgiven</i>
Bankruptcy (in rare cases — cancellation is possible only if the bankruptcy court rules that repayment would cause undue hardship)	<b>100 percent</b>
Closed school (before student could complete program of study) — applies to loans received on or after Jan. 1, 1986	<b>100 percent</b>
Borrower’s total and permanent disability or death**	<b>100 percent</b>
Full-time teacher in a designated elementary or secondary school serving students from low-income families***	<b>Up to 100 percent</b>
Full-time special education teacher (includes teaching children with disabilities in a public or other nonprofit elementary or secondary school) ***	<b>Up to 100 percent</b>
Full-time qualified professional provider of early intervention services for the disabled	<b>Up to 100 percent</b>
Full-time teacher of math, science, foreign languages, bilingual education, or other fields designated as teacher shortage areas	<b>Up to 100 percent</b>
Full-time employee of a public or nonprofit child- or family-services agency providing services to high-risk children and their families from low-income communities	<b>Up to 100 percent</b>
Full-time nurse or medical technician	<b>Up to 100 percent</b>
Full-time law enforcement or corrections officer	<b>Up to 100 percent</b>
Full-time staff member in the education component of a Head Start Program	<b>Up to 100 percent</b>
Vista or Peace Corps volunteer	<b>Up to 70 percent</b>
Service in the U.S. Armed Forces	<b>Up to 50 percent in areas of hostilities or imminent danger</b>

\* As of Oct. 7, 1998, all Perkins Loan Borrowers are eligible for all cancellation benefits regardless of when the loan was made or the terms of the borrower’s promissory note. However, this benefit is not retroactive to services performed before Oct. 7, 1998.

\*\* Total and permanent disability is defined as the inability to work and earn money because of an illness or injury that is expected to continue indefinitely or to result in death. If you are determined to be totally and permanently disabled based on a physician’s certification, your loan will be conditionally discharged for up to three years. This conditional discharge period begins on the date you became totally and permanently disabled, as certified by our physician. During this conditional discharge period, you do not have to make payments on your loan(s). To qualify for a final discharge due to total and permanent disability, you must meet the following requirements during the conditional

discharge periods: (1) your earnings from employment must not exceed the poverty line amount for a family of two; and (2) you must not receive any additional loans under the FFEL, Direct Loan or Perkins Loan programs. If you do not continue to meet these requirements at any time during or at the end of the conditional discharge period, your loan(s) will be taken out of conditional discharge status and you must resume making payments on your loans. You cannot qualify for loan discharge based on a condition that existed before the loan was made, unless a doctor certifies that your condition substantially deteriorated after you obtained the loan. For more information on qualifying for this discharge, review your promissory note and Borrower’s Rights and Responsibilities Statement or contact your loan holder.

\*\*\* Detailed information on teaching service cancellation/deferment options can be found at [www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov). At the site, click on the “Students, Parents and Counselors” tab.