



Office of Financial Aid

Mail Stop 1023 • Post Office Box 5616 • Greenville, South Carolina 29606-5616 • (864) 250-8000

DISCHARGED LOANS WORKSHEET (PLEASE USE BLACK or BLUE INK ONLY)

Please complete the appropriate section depending on the reason your loan was discharged. Your aid cannot be processed until you complete and return this form to the Financial Aid Office within 15 days.

Name _____ Student ID or SSN # _____

Address _____
City State Zip

Phone number _____ Award Year _____

SECTION A: DISCHARGED DUE TO BANKRUPTCY

The U.S. Department of Education indicated that you have federally guaranteed student loans and have filed for bankruptcy. Please answer the questions below:

- Are your student loans dischargeable and have they been included in the bankruptcy filing?
 - Yes** - Please sign and return this form to the GTC Financial Aid Office.
 - No** - Please go to question 2.
- Have you made satisfactory arrangements to repay your student loans?
 - Yes** - Sign and return this form to the GTC Financial Aid Office.
 - No** - Contact your lender to make satisfactory arrangements to pay. You are not eligible to receive federal or state aid until your student loans are in a satisfactory payment status with the lender.
- I have contacted my lender as instructed above.
 - Yes** **No**

Please sign and return this form to the GTC Financial Aid Office.

I certify that this information is accurate.

Student's Signature

Date

SECTION B: DISCHARGED DUE TO DISABILITY

Part I: FEDERAL LOAN CONSIDERATION OPTIONS

- Yes, I want GTC to consider me for additional federal loans. Your physician must complete **Part II** below.
- No, I do not want GTC to consider me for additional federal loans. No additional action is necessary.

(OVER)

Part II: PHYSICIAN CERTIFICATION: If you selected 'Yes' in **Part I**, this section **must** be completed by your physician.

Physician Certification: I certify that my patient, the student identified above, has a disability condition that has improved and the student, in my professional opinion, has the ability to engage in substantial gainful activity. The phrase "substantial gainful activity" generally describes a situation in which a borrower is sufficiently physically recovered to be capable of attending school, successfully completing a program of study, and securing employment in order to repay the new loan the borrower is seeking. I understand that I may be contacted by GTC Financial Aid Office for clarification of this student's status.

_____ Physician's Full Name	_____ License No.	_____ Specialty		
_____ Office Address	_____ City	_____ State	_____ Zip	_____ Phone Number
_____ Physician's Signature	_____ Date			

Total and Permanent Disability (TPD) Discharge

Perkins Loans, FFEL and Direct Loans, as well as TEACH Grant service obligations may qualify to be discharged if the borrower or TEACH Grant recipient becomes totally and permanently disabled. Except in the case of veterans who qualify for a total and permanent disability (TPD) discharge based on a determination by the Department of Veterans Affairs (VA) that they are unemployable due to a service-connected disability, the Department of Education monitors the status of borrowers who have received a TPD discharge for a three-year period. If a borrower requests a new loan or TEACH Grant within three years of a prior TPD discharge, their prior loan and/or TEACH Grant service obligation must be reinstated.

Note that a borrower for whom data is obtained from the VA showing that the borrower is "totally and permanently disabled" as defined in regulation, will be automatically eligible for loan discharge without additional documentation or action from the student—there is an automatic TPD discharge process for borrowers identified as eligible through a data match with the Social Security Administration.

The NSLDS loan status code for veteran TPD discharges is VA, and for non-veterans, the TPD status codes are DI and PD. The DI loan status code indicates that the borrower is still in the post-discharge monitoring period, while the PD status code indicates that the borrower has completed the monitoring period.

Taking out another loan. If a borrower whose prior loan was discharged due to a total and permanent disability wishes to take out a Direct Loan or wishes to receive a TEACH grant, they must obtain a certification from a physician (who must be a doctor of medicine or osteopathy licensed to practice in the United States) that they have the ability to engage in substantial gainful activity, and must sign a statement acknowledging that the new loan or the TEACH Grant service obligation can't later be discharged for any present impairment unless it deteriorates so that the individual is again totally and permanently disabled. The student only needs to obtain the physician certification once; the school keeps a copy of it in the student's file. But the school must collect a new borrower acknowledgment from the student each time the student receives a new loan.

There are no restrictions upon receiving Title IV aid other than Direct Loans or TEACH Grants after a prior TPD discharge. If the borrower requests a new loan or TEACH Grant during the post-discharge monitoring period, they must also resume payment on the old loan before receipt of the new loan or TEACH grant. If the loan on which the borrower must resume payment was in default when it was discharged, it remains in default upon reinstatement, and the student must resolve the default (see the Resolving Default Status section below) before receiving the new loan, in addition to meeting the other requirements described.

A borrower who received a TPD discharge based on a determination from the VA that they are unemployable due to a service-connected disability is not subject to a monitoring period and is not required to resume payment on the discharged loan as a condition for receiving a new loan. But such a student must still provide the physician's certification and borrower acknowledgement described above.

I certify that I have read and understand all of the information contained in the policy above which can be found in the Student Financial Aid Handbook, Volume 1 (Student Eligibility), Chapter 3 (NSLDS Financial Aid History).

_____ Student's Signature	_____ Date
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