



American Education Services

American Education Services
P.O. Box 2461 • Harrisburg, PA 17105-2461
Toll-free 1-800-233-0557 • TDD 717-720-2354
Fax 717-720-3931 or 717-720-2774
www.aesSuccess.org • International 717-720-3500

Dear Customer:

Enclosed is an Alternative Repayment Option form for your privately insured student loan(s).

This form includes two alternative repayment options; Modified Graduated Repayment Schedule (MGRS) and Economic Hardship Forbearance.

MGRS is defined as:

- An initial twelve months of reduced payments equal to 50% of the regular monthly principal and interest payment amount;
- After this initial reduced repayment period, your monthly payments will be interest-only for a period of twelve months. This amount may be less than the previous payment amount.
- After this two year period, your loan payments return to full principal and interest for the life of the loan. These level payments may be higher than your current payments as a result of the capitalization of the unpaid interest that will accrue on the loan(s) during this repayment schedule.

If you would like to apply for Economic Hardship Forbearance or the Modified Graduated Repayment Schedule (MGRS), please read the information carefully and complete the form. Return it to us as soon as possible. You will be notified by mail of the approval or denial of your request. You may also check the status of your loan(s) online at www.aesSuccess.org.

If you have any questions, please contact our office. Loan Counselors are available Monday through Friday, from 7:30 a.m. to 9 p.m., ET.

Shelly K. Bowman
Assistant Vice President
American Education Services

Enclosure(s)

THE EDUCATION RESOURCES INSTITUTE

Alternative Repayment Option Form

BORROWER ACCOUNT NUMBER _____

BORROWER NAME _____

ADDRESS _____

CITY _____ **STATE** _____ **ZIP CODE** _____

TELEPHONE NUMBER (____) _____ - _____

ALTERNATE TELEPHONE NUMBER (____) _____ - _____

WORK TELEPHONE NUMBER (____) _____ - _____

EMAIL ADDRESS _____

Section 1:

If your financial situation is making it hard to make timely payments on your TERI guaranteed education loan(s), you may want to consider a MODIFIED GRADUATED REPAYMENT SCHEDULE (MGRS). This schedule offers:

- 12 months of payments at 50% of the regular monthly principal and interest payment amount.
- 12 months of interest only payments equaling 31 days of interest.
- A return to full principal and interest payments for the balance of your loan period.
 These payments may be higher than your previous monthly payments due to the 24 months of reduced payments listed above.

____ Yes, I would like to apply for the MGRS (If you are applying for the MGRS, you may skip Section 2 and go to section 3.

____ No, I am unable to make at least 50% of my regular monthly payment for the following reasons:

Section 2:

If your financial difficulties prevent you from making timely payments under a Modified Graduated Repayment Schedule (MGRS) on your TERI guaranteed loan(s), you may be eligible for a Forbearance. Forbearance is granted at the owner's discretion for a few months as an alternative to regular monthly payments. The Forbearance is normally granted in increments of one to six months, with a maximum of twelve months during the life of the loan. The Forbearance period may be backdated to cover periods of delinquency, if any exist. However, any negative reports that were submitted to credit bureaus will not be removed if the Forbearance is granted retroactively.

____ Yes, I hereby request a Forbearance for all of my private loans guaranteed by The Educational Resources Institute (TERI). If the Forbearance is being requested for specific loans, please list the first disbursement dates of each: _____

Number of months you are requesting Forbearance: _____

Section 3:

You must continue making your regular monthly payments until the Forbearance or MGRS has been approved. You will receive written notice of the approval or denial of this request, after it has been processed.

I certify that I am unable to make payments according to the present terms of my loan(s). I understand that accrued and unpaid interest will be capitalized at the expiration of the MGRS or Forbearance period, and included in a new repayment schedule. This new repayment schedule will decrease my repayment period and increase my monthly payment amount.

I understand this request and all supporting documentation will remain the property of the lender, its agent, and/or TERI. The owner reserves the right to obtain a copy of my credit report. Additional debt incurred or preferential payments to other creditors could result in the denial or termination of my forbearance request. I understand that should my situation under which I applied for Forbearance change, I must immediately notify AES Graduate and Professional Services. The above information is true and correct to the best of my knowledge. I understand that misrepresentation may lead to the denial of my request. I have read and understand and agree to the terms of this request. If I selected MGRS, I understand that I have agreed to amend the repayment terms of the original promissory note for my private loans guaranteed by TERI.

Borrower Signature _____ **Date** _____

SELECT EITHER MGRS OR ECONOMIC HARDSHIP FORBEARANCE, BUT NOT BOTH

****ALL ITEMS MUST BE COMPLETED OR INDICATE "N/A", ANY INCOMPLETE ITEM WILL BE CAUSE FOR DENIAL.****

THIS SECTION MUST BE COMPLETED FOR ACCOUNTS WITH CO-BORROWERS!

1st CO-BORROWER _____ **TELEPHONE NUMBER (____)** _____
ACCOUNT NUMBER _____ **ALTERNATE PHONE NUMBER (____)** _____
ADDRESS _____ **EMPLOYER NAME** _____
CITY _____ **STATE** _____ **ZIP** _____ **EMPLOYER TELEPHONE NUMBER (____)** _____
EMAIL ADDRESS _____

2nd CO-BORROWER _____ **TELEPHONE NUMBER (____)** _____
ACCOUNT NUMBER _____ **ALTERNATE PHONE NUMBER (____)** _____
ADDRESS _____ **EMPLOYER NAME** _____
CITY _____ **STATE** _____ **ZIP** _____ **EMPLOYER TELEPHONE NUMBER (____)** _____
EMAIL ADDRESS _____

DETAILED LIST OF REVENUE AND EXPENSE

TYPE OF MONTHLY INCOME		AMOUNT
1	Net Employment Income	
2	Net Self-Employment	
3	Investments (interest, dividends, rental income, etc)	
4	Non-Taxable Income	
5	Other: _____ _____	
6	Total (add items 1 through 5)	

TYPE OF MONTHLY EXPENSE		AMOUNT
1	Rent/Mortgage, Homeowner/Condominium Fees	
2	Food	
3	Utilities	
4	Household Expenses	
5	Clothing	
6	Medical/Dental (non-reimbursable)	
7	Insurance Premiums	
8	Automobile Loan Payments	
9	Transportation Expenses	
10	Student Loan Payments	
	Name of Creditor	Monthly Payments
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	Total (for item 10.)	_____
	(if additional space is needed, please attach a separate sheet of paper)	
11	Credit Card Payments	
	Name of Creditor	Monthly Payments
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	Total (for item 11.)	_____
	(if additional space is needed, please attach a separate sheet of paper)	
12	Other Ordinary and Necessary Living Expenses	
13	TOTAL (for items 1. through 12.)	

Please return completed form to:
AES • P.O. Box 2461 • Harrisburg, PA 17105-2461
Fax:
717-720-2774 or 717-720-3931