

Defaulted Loan Resolution Cover Sheet

Covers Fall 2025, Spring 2026, Summer 2026

Student's Name (PRINT): _____ Phone: (____) _____

HCC ID: _____ Date of Birth: ____/____/____ Home Campus: _____
(9-digit number required) (Primary location of attendance)

Your financial aid application results indicate that you are currently in default on a federal student loan or owe an overpayment on a federal grant. A person generally isn't eligible for FSA funds if he/she is in default on a student loan or owes an overpayment on an FSA grant or loan and has not made a repayment arrangement for the default or overpayment.

Any student applying for federal financial aid funds must certify that he/she isn't in default on any federal loan and doesn't owe an overpayment on any federal grant, or that he/she has made satisfactory arrangements to repay the overpayment or default.

A student in default on a federal student loan can't receive further federal funds until he/she resolves the default, which can be done in one of the following ways. **Documentation must be provided to show that the option checked below has resolved the default or overpayment. Information about all student loans can be found on the National Student Loan Data System (NSLDS) at https://www.nslds.ed.gov/nslds/nslds_SA/.**

Check the appropriate defaulted loan information being provided:

☐ **PAID IN FULL:** If a student has paid a defaulted loan in full but the federal application has a comment showing that he/she is ineligible because of the default, the student must provide documentation proving that the loan was paid. Documentation must support all defaulted loans that appear on the National Student Loan Data System (NSLDS).

☐ **SATISFACTORY PAYMENT ARRANGEMENTS:** A student in default can be eligible for federal funds if he/she has made repayment arrangements that are satisfactory to the loan holder. After he/she makes six consecutive, full, voluntary payments on time, he/she regains eligibility for FSA funds (loan status code DX on NSLDS). Voluntary payments are those made directly by the borrower and do not include payments obtained by federal offset, garnishment, or income or asset execution. A student may regain eligibility under this option only one time. Documentation from the loan holder is required

☐ **LOAN REHABILITATION:** Although a student can regain eligibility for federal funds by making satisfactory repayment arrangements, the loan is still in default. After the student makes more payments, the loan may be rehabilitated, that is, it won't be in default anymore, and the student will have all the normal loan benefits, such as deferments. A loan is rehabilitated once the borrower makes nine full, voluntary payments on time (no later than 20 days after the due date) within 10 consecutive months. Documentation from the loan holder is required.

Submit the required loan documentation to this form demonstrating eligibility for federal funds through full payment, satisfactory payment arrangements or loan rehabilitation.

2025-2026



Certification

Financial Aid Office

By signing below, I/we acknowledge and confirm that the above and attached information is complete and correct. Purposely giving false or misleading information may result in federal fines, jail sentence, or both.

Student Signature: _____

Date: _____