**FEDERAL DIRECT LOAN CONSOLIDATION**

You MUST consolidate with FDLC if you plan to apply for Public Service Loan Forgiveness (PSLF) - 2013

1) Review your NSLDS Report and compare it with your loan records, for accuracy. You should also check with each of your servicers, via their website, where you can create your user account and access detailed information regarding your account #’s, interest rates, etc., for accuracy.

2) Apply for Federal Direct Consolidation at http://www.loanconsolidation.ed.gov/ (This is actually FedLoan Servicing/PHEAA or Sallie Mae, the official booking agent(s) for ALL Federal Direct Loan Consolidation Loans).

   2a) Your loans SHOULD all pre-populate the fields, including the interest rate(s), type, name & address of the Servicer. Compare that to your NSLDS report and/or report given to you by your school. If various loans are with a single servicer, the account number should be the same for all of those loans.

   BE CERTAIN THAT FEDERAL DIRECT GRAD/PLUS LOANS ARE ON YOUR FINAL APPLICATION PRIOR TO SUBMITTING!

   2b) If you consolidate with DL, your loans will always be serviced by either FedLoan Servicing/PHEAA or Sallie Mae (unless you decide on Public Service Loan Forgiveness – see diagram on PSLF).

   2c) You will also need to print off, complete, and return the Direct Loans Repayment Plan Selection Form to the address on the form. If you do not complete this form, it will be assumed that you wish to enter Standard Repayment.

   2d) If applying for Income-based Repayment (IBR) you MAY be required to print off and complete the *Alternative Documentation of Income Form (ADOI)* & list your prior year’s (tax-AGI) income and provide a copy of that tax return to the address listed on the ADOI form. If you have ZERO income, check the box, listed below “amount of income.”

   2e) Copy all documents and send all documents with proof of receipt!!

   2f) Don’t forget, if you choose auto-debit for your loan payments, you will receive an additional .25% interest rate reduction.

3) Once your Federal Direct consolidation is complete, you will receive notice from the DoE Servicer (either FedLoanServicing/PHEAA or Sallie Mae) indicating your consolidation is complete and that they are the servicer to whom you will make your payments. They will provide:

   - specific address as to where to send your payments
   - verification of the payment plan you chose
   - your payment amount
   - when payments will start