

Si usted prefiere un representante español, llame al (877) 270-3049

ONRABI02
PO Box 1022
Wixom MI 48393-1022

ADDRESS SERVICE REQUESTED

RAB INC

Toll Free
(800)-829-7204

regional adjustment bureau
A Total Receivable Management Company

Local Residents
(901) 382-0250

MAIL ALL CORRESPONDENCE TO:

REGIONAL ADJUSTMENT BUREAU, INC.
PO Box 34111
Memphis TN 38184-0111

Date:
Re: Loan Rehabilitation
Client: VERMONT STUDENT LOAN ASSISTANCE CORPORATION
Account #: D-2-XXXXX
Balance: \$

Dear:

This letter confirms your request to participate in the student loan rehabilitation program as authorized by Section 428F of the Higher Education Act of 1965, as amended, for your currently defaulted student loan(s) indicated above. If you have previously rehabilitated these loan(s), contact us immediately to confirm if you are eligible for rehabilitation. You may obtain the benefits of the loan rehabilitation program for your defaulted student loans only once.

In order for your loan(s) to be rehabilitated, you must make, and VERMONT STUDENT LOAN ASSISTANCE CORPORATION must receive, nine (9) voluntary on-time monthly payments within a ten (10) consecutive month period beginning with the month in which the first due date falls and your loans must be sold to an eligible lender

Your payments are due on the ____ day of each month, beginning with your first payment which is due on _____. Each payment must be received no earlier than twenty (20) days before or no later than twenty (20) days after the due date.

Based on the financial information you subsequently have provided, we have re-calculated your monthly payment to be \$____. **If you do not agree to the amount of the monthly payment we have calculated, you may object by writing to us at the above address or by calling us toll free at (800) 829-7204.**

If you cannot make a payment for the full agreed upon amount due to a change in your financial circumstances, you may contact us to see if we can accept a different amount.

The sale of your defaulted loan(s) to an eligible lender is not guaranteed within a specified time frame or at all. If and until VERMONT STUDENT LOAN ASSISTANCE CORPORATION is able to secure an eligible lender for purchase of your defaulted loan(s), you must continue to make the agreed upon payments to remain eligible.

Collection costs of 16% of the unpaid principal and accrued interest outstanding at the time of rehabilitation will be added to the outstanding balance due on your loan(s) upon rehabilitation and sale to the eligible lender.

Once the lender has purchased your loan, a new repayment schedule will be established. Your monthly payment amount may increase or decrease. You may be eligible for deferments, forbearances, Title IV Federal student aid, and other benefits under the Federal Family Education Loan Program in accordance with the rules governing student aid.

Upon rehabilitation, VERMONT STUDENT LOAN ASSISTANCE CORPORATION will notify all major national credit reporting agencies to delete any adverse credit information currently being reported by VERMONT STUDENT LOAN ASSISTANCE CORPORATION in relation to the loans which have been rehabilitated. In addition, you will regain all student loan program benefits including any remaining deferment eligibility.

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If you provide a cell phone number below, you consent to VERMONT STUDENT LOAN ASSISTANCE CORPORATION and/or Regional Adjustment Bureau contacting you regarding your loan(s), including repayment, at that number and/or at any other cellular telephone number or wireless communication service you may provide in the future, using automated telephone dialing systems and/or artificial or pre-recorded voice or text messages. If you provide an email address below, you consent to VERMONT STUDENT LOAN ASSISTANCE CORPORATION and/or Regional Adjustment Bureau contacting you for the same purpose(s) at that e-mail address and/or at any other e-mail address you may provide in the future. You understand that others may be able to access your messages and/or e-mails and their content, which may include information regarding your loan(s) and its status. You agree that if you want to revoke any of these consents, you will notify our office.

To accept the above as your agreement with VERMONT STUDENT LOAN ASSISTANCE CORPORATION regarding the rehabilitation of your defaulted student loan(s), sign and date this letter and return it to the address listed below.

I have read this letter and I understand and agree to its terms.

Signature: _____

Printed Name: _____

Date: _____

Address: _____

Telephone: _____

Cell Phone #: _____ Email: _____

By listing any cellular telephone number I authorize Regional Adjustment Bureau (RAB) to contact me regarding my account at the cellular telephone number provided by using a predictive or automated telephone dialing system and/or artificial or pre-recorded voice messages.

Please see next page for important information regarding the completion of your Rehabilitation.

Retain a copy of this form for your records.

Return this signed document to:

Regional Adjustment Bureau, Inc
7130 Goodlett Farms Parkway, Suite 100 West
Memphis TN 38016
Tel: 1-800-829-7204 Fax 901-435-4854
highered@rabinc.com

This is an attempt by a debt collector to collect a debt, and any information obtained will be used for that purpose. This communication is from a debt collector.

This collection agency is licensed by the Tennessee Collection Service Board of the Department of Commerce and Insurance.

Federal and state laws prohibit certain methods of debt collection and require that we- treat you fairly. You can stop us from contacting you by writing a letter to us that tells us to stop. Sending such a letter does not make the debt go away if you owe it. Once we get the letter, we can't contact you again, except to say there won't be any more contact or to tell you that we plan to take a specific action.

If you have a complaint about the way we are collecting your debt, please write to our CONTACT CENTER, Regional Adjustment Bureau, Inc., 7130 Goodlett Farms Parkway, Suite 100 West, Memphis, TN 38016, email us at complaint@rabinc.com, visit our website at www.rabinc.com/contact.htm or call us toll- free at 866-902-5867 between 9:00 AM and 5:00 PM Central-Time, Monday - Friday.

The Federal Trade Commission enforces the Fair Debt Collection Practices Act, If you have a complaint about the way we are collecting your debt, please contact the FTC online at www.ftc.gov, by phone at 1-877- FTC-HELP; or by mail at 600 Pennsylvania Ave NW, Washington, DC 20580. If you want information about your rights when you are contacted by a debt collector, please contact the FTC online at www.ftc.gov.

RAB INC

regional adjustment bureau

Upon completion of your rehabilitation program your lender will place your loans into a **Standard Repayment Plan**. This repayment plan could mean an increase in your monthly payment amount.

However, after the rehabilitation is completed **you have a choice** of repayment plans which will best meet your needs. Below is a description of each plan. Your lender will be able to assist you with questions or changes if you would like to make any.

Repayment Plans:

- **Standard Repayment:** Repaying the loan in equal monthly payments of at least \$50 for the life of the loan not to exceed 120 months (10 years).
- ❖ **NOTE:** Unless changed by you, this is the plan you will be enrolled into when your loan is rehabilitated and placed back with the lender.

- **Graduated Repayment:** Repayment begins with a lower monthly payment and increases so that the loan is paid-off in 120 months (10 years).

- **Extended Repayment:** Available to the first-time federal student loan borrowers after October 7, 1998. Students MUST HAVE at least \$30,000 in Direct OR Federal Family Education Loan FFEL loans.

- **Income-Based Repayment (IBR):** Uses your income and family size to cap your monthly payments at 15 percent of your discretionary monthly income, but never more than the 10-year Standard Repayment Plan amount. If a balance remains after 25 years of qualifying payments, IBR forgives any remaining debt.
- ❖ **NOTE: If your loan is a Parent PLUS loan or you consolidated a Parent Plus loan, this plan is not available.**

What if I have other loans?

In some cases you may have other loans which did not default or are with other lenders/servicers. In this case speak with your lender about other options which may be available, including consolidation.

The United States Department of Education provides a website which details additional information on selecting a repayment plan that is best for your financial situation. Please go to <https://studentaid.ed.gov/sa/repay-loans/understand/plans> for those additional details.



FINANCIAL DISCLOSURE FOR REASONABLE AND AFFORDABLE REHABILITATION PAYMENTS

William D. Ford Federal Direct Loan (Direct Loan) Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form on any accompanying documents is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Section 1: Borrower Identification

Please enter or correct the following information.

Check this box if any of your information has changed.

SSN _____

Name _____

Address _____

City, State, Zip _____

Telephone – Primary _____

Telephone – Alternate _____

E-Mail (optional) _____

SECTION 2: HOUSEHOLD INCOME AND REASONABLE AND NECESSARY MONTHLY EXPENSES

You have received this form because you requested the opportunity to rehabilitate your defaulted Direct Loan(s) and/or FFEL Program Loan(s) and objected to the monthly payment amount your loan holder calculated using the 15 percent formula (15% of the amount by which your Adjusted Gross Income exceeds 150% of the poverty guideline amount applicable to your family size and state, divided by 12). **Before completing this section, carefully read the entire form, including the instructions and definitions in Sections 5, 6, and 7.** Your loan holder will use the information you provide on this form to determine an alternative reasonable and affordable monthly payment amount. If you want to rehabilitate your defaulted loan(s) you must choose to make qualifying payments in either the payment amount calculated using the 15 percent formula or the alternative payment amount determined based on the information you provide on this form. Once you choose the payment amount you want to make you must make 9 on-time payments of that amount over the next 10 months.

Provide the **monthly** income and expense information listed below. Do not include documentation of these sources of income or expenses unless requested to do so by your loan holder. Do not include your spouse's income if your spouse does not contribute to your household income. Your loan holder has the authority to determine if the claimed amount of any expense is reasonable and necessary.

MONTHLY INCOME

1. Your employment income: _____
2. Spouse's employment income: _____
3. Child support payments received: _____
4. Social Security benefits: _____
5. Worker's compensation: _____
6. Public assistance: _____
List type(s): _____
7. Other income: _____
Describe: _____
8. Total Monthly Income: _____
(Sum of items 1 through 7)

MONTHLY EXPENSES

9. Food: _____
10. Housing: _____
11. Utilities: _____
12. Basic communication: _____
13. Medical and Dental: _____
14. Insurance _____
15. Transportation: _____
16. Dependent care: _____
17. Required child support/ spousal support: _____
18. Federal student loans: _____
19. Private student loans: _____
20. Other expenses: _____
Describe: _____
21. Total Monthly Expenses _____
(Sum of items 9-20)

Borrower Name _____ Borrower SSN _____

Section 3: FAMILY SIZE, ADJUSTED GROSS INCOME, AND SPOUSAL IDENTIFICATION

Before completing this section, carefully read the entire form, including the instructions and definitions in Sections 5, 6, and 7.

1. Your family size: _____

(Note: Your family size includes you, your spouse, and your children (including unborn children who will be born before the end of the calendar year), if the children will receive more than half their support from you. Your family size includes other people only if they live with you now, receive more than half their support from you now, and will continue to receive this support from you for the year for which you are certifying your family size. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, and payment of college costs.)

2. Adjusted Gross Income (AGI) amount reported on your most recent IRS tax filing: **(Optional)**

(Note: AGI is used to determine a reasonable and affordable rehabilitation payment amount using the 15 percent formula. You have the option to report AGI on this form in case you decide to accept the monthly payment amount determined using the 15 percent formula, rather than the monthly payment amount determined using the income and expense information you provided on this form. If you choose the payment amount determined using the 15 percent formula, you will be required to submit documentation of your AGI to your loan holder.

3. Spouse's Name: _____ 4. Spouse's SSN: _____

(Note: Your spouse's name and Social Security Number are only required if you are requesting rehabilitation of a Direct Consolidation Loan or Federal Consolidation Loan that was made jointly to you and your spouse.)

SECTION 4: UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATION

Before completing this section, carefully read the entire form, including the instructions and definitions in Sections 5, 6, and 7.

I understand that:

1. I have received this form because I requested the opportunity to rehabilitate my defaulted Direct Loan(s) and/or FFEL Program Loan(s) and objected to the reasonable and affordable monthly payment amount calculated using the 15 percent formula.
2. My loan holder will calculate an alternative reasonable and affordable monthly payment amount that will be based solely on the information I provide on this form and, if requested, supporting documentation.
3. If I do not accept the monthly payment amount calculated using either 15 percent formula or based on the income expenses information I provide on this form, the loan rehabilitation process cannot proceed and I will be required to repay my defaulted loans with payment amounts determined by my loan holder in accordance with the terms of the loan and applicable law.
4. If I do not provide any supporting documentation requested by my loan holder by the deadline specified by my loan holder, my request for loan rehabilitation will not be considered any further.
5. If I have defaulted Direct Consolidation Loan or Federal Consolidation Loan that was made jointly to me and my spouse, both borrowers must request a reasonable and affordable payment rehabilitation payment determination, and our signatures below serve as that request.
6. If I previously rehabilitated a defaulted loan on or after August 14, 2008, I may not rehabilitate that same loan if I default on that loan again.

I certify that:

1. The information that I have provided on this form is true and correct.
2. Upon request, I will provide additional documentation to my loan holder to support the information I have provided in this form.

I authorize the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loan(s), including repayment of my loan(s), at the number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated telephone dialing equipment or artificial or prerecorded voice or text messages.

Spouse's Signature _____
(If you entered spousal identification information in Section 3)

Date _____

Borrower Signature _____

Date _____

SECTION 5: INSTRUCTIONS

- ◆ If you are not completing this form electronically, type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Use only numbers. Example: January 31, 2013 = 01-31-2013. Include your name and account number(s) for your defaulted loan(s) on any documentation that you are required to submit with this form. If you need help completing this form, contact your loan holder(s).

Return the completed form to the address shown Section 8.

- **Monthly Income in Section 2(Items 1-7).**

Your loan holder(s) may request supporting documentation for any income items:

Employment income documentation may include a pay stub or letter from the employer stating income from that employer.

Child support, Social Security benefit, worker's compensation or public assistance

documentation may include copies of benefits checks or benefits statement, a letter from court, a governmental body, or the individual paying child support, specifying the amount of the benefit.

- **Public assistance:** Identify the type of public assistance received (See definition of "public assistance" in section 6).
- **Other income:** Include any other income not covered in items 1-6 and identify the source of the income.

- ◆ **Monthly Expenses in Section 2 (Items 9-20).**

Your loan holder(s) may request supporting documentation for any of these items. Do not include single expenses in more than one category. If you have no expenses under a category, enter 0 for that category.

- **Food:** Include the amount spent on food, even if purchased using the Supplemental Nutrition Assistance Program (SNAP) (food stamps).
- **Housing:** Include the amount spent on housing and shelter, such as rent, required security deposits, and mortgage payments (including principal, interest, taxes, and homeowner's insurance).
- **Utilities:** Include the amount spent on housing related utility bills, such as gas, electric, water, sewer, trash, and recycling.
- **Basic communication:** Include the amount spent on basic communication expenses, such as basic telephone and internet expenses.

- **Medical and Dental:** Include the amount spent on necessary medical and dental costs, such as medically necessary prescription and nonprescription medication, and medically necessary nutritional supplements. Do not include any costs relating to medical or dental insurance premium payments.

- **Insurance:** Include the amount spent on insurance, such as necessary renter's, auto, medical, dental, or life insurance. Include any amounts paid toward insurance premiums, but do not include any amount that is deducted from your paycheck and reflected in the amount of income you listed under Monthly Income. Include homeowner's insurance under Item 10 (Housing).

- **Transportation:** Include the amount spent on basic transportation expenses such as gas, car loans, basic vehicle maintenance, and public transportation.

- **Dependent care:** Include the amount spent on care for children or other dependents in the household and other work-related expenses.

- **Legally required child support/ spousal support:** Include the amount spent on legally required child support and spousal support.

- **Federal student loans:** Include the total monthly amount paid on any federal student loan(s), except the defaulted loans you are trying to rehabilitate unless you are subject to mandatory withholding such as wage garnishment or Treasury offset (i.e., your Social Security is being garnished). If you are subject to wage garnishment or Treasury offset include the amount that is collected from you monthly. Include the amount of any payment, voluntary or otherwise.

- **Private student loan payments:** Include the total monthly amount paid on any private student loan(s). Include any type of payment, voluntary or otherwise.

- **Other expenses:** Include the amount spent on any other necessary expenses not covered in items 9-19 and explain these expenses. These other expenses will be considered only if the Department of Education determines that they should be considered.

SECTION 6: DEFINITIONS

- ◆ The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).
- ◆ The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Federal Direct Stafford/Ford (Direct Subsidized) Loans, Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans
- ◆ **Rehabilitation** of your defaulted loan occurs only after you have made 9 voluntary, reasonable and affordable monthly payments within 20 days of the due date during 10 consecutive months and, for FFEL loans, when the loan has been sold to an eligible lender. When you rehabilitate your loans, you will regain all the benefits of the Direct Loan Program or FFEL Program, including eligibility for deferments or forbearances and eligibility for a repayment plan with a monthly payment amount based on your income. You will also regain eligibility to receive additional Federal student aid, including additional Federal student loans. After a defaulted loan is rehabilitated, your loan holder will instruct any consumer-reporting agency to which the default was reported to remove the default from your credit history.
- ◆ **Reasonable and affordable payment amount** means a monthly payment that is based either on the 15 percent formula or on information provided in this form and supporting documentation. It cannot be a percentage of your total loan balance or based on information unrelated to your total financial circumstances.
- ◆ The **15 percent formula** means fifteen percent of the amount by which your Adjusted Gross Income exceeds 150% of the poverty guideline amount that is applicable to your family size and state, divided by 12. Your minimum payment may not be less than \$5.00.
- ◆ The **loan holder** of a defaulted Direct Loan Program loan(s) is the U.S. Department of Education (the Department). The loan holder of a defaulted FFEL Program loan(s) may be a guaranty agency or the Department.
- ◆ **Public assistance** means payments you receive under a federal or state program. These assistance programs include, but are not limited to, Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), Food Stamps/Supplemental Nutritional Assistance Program (SNAP), or state general public assistance.

SECTION 7: LOAN REHABILITATION AGREEMENT

- ◆ To rehabilitate your loan, you must accept either the monthly rehabilitation payment amount determined using the 15 percent formula, or the amount determined based on the monthly income, monthly expenses, and family size information that you provide on this form and on any requested supporting documentation.
- ◆ Your loan holder will provide you with a written loan rehabilitation agreement confirming your monthly rehabilitation payment amount.
- ◆ To accept the loan rehabilitation agreement, you must sign the agreement and return it to your loan holder.
- ◆ During the loan rehabilitation period, the loan holder will limit contact with you on the loan being rehabilitated to collection activities that are required by law or regulation, and to communication that supports the rehabilitation.
- ◆ If you do not accept either monthly payment amount, your rehabilitation request will not be considered any further.

SECTION 8: WHERE TO SEND THE COMPLETED FINANCIAL DISCLOSURE FORM

Return the completed form and any required documentation to:

Regional Adjustment Bureau, Inc.
7130 Goodlett Farms Parkway, Suite 100 West
Memphis, TN 38016
highered@rabinc.com

If you need help completing this form, call:

1-(800)829-7204

SECTION 9: IMPORTANT NOTICES

Privacy Act Notice. *The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:*

The authorities for collecting the requested information from and about you are §421 *et seq.* and §451 *et seq.* of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 *et seq.* and 20 U.S.C. 1087a *et seq.*) and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the FFEL and/or Direct Loan Programs, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) becomes delinquent or defaults. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses,

disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 1.0 hours (60 minutes) per response, including the time for reviewing instructions, searching existing data resources, gathering and maintaining the data needed, and completing and reviewing the information collection. The obligation to respond to this collection is required to obtain a benefit in accordance with 34 CFR 682.405 or 685.211. Send comments regarding the burden estimate(s) or any other aspect of this collection of information, including suggestions for reducing this burden to the U.S. Department of Education, 400 Maryland Avenue, SW, Washington, DC 20210-4537 or e-mail ICDocketMgr@ed.gov and reference OMB Control Number 1845-0120.

Note: Please do not return the completed form to this address.

If you have questions regarding the status of your individual submission of this form, contact your loan holder (see Section 8).