



Office of Student Registration and Financial Services

## Borrow Acknowledgement Statement Total and Permanent Disability Discharge

A student who has had a previous federal education loan discharged due to Total and Permanent Disability (TPD) may, under certain circumstances, borrow a new federal student loan. However, it may be necessary to resume repayment on the previously discharged loan. For more details, please see the next page of this form.

This form serves to reestablish your eligibility for the Federal Student Loan Program when prior loans have been discharged due to total and permanent disability. Completion of this form does not guarantee that you will qualify for a Federal Student Loan Program.

Please submit this form via the SRFS Document Upload Portal: <https://srfs.upenn.edu/DocumentSubmit>.

Student Name: \_\_\_\_\_

Date: \_\_\_\_\_

Student PennID (8-digit number): \_\_\_\_\_

### Part I: Borrower's Acknowledgement Statement

By signing this document, I acknowledge that any new Federal Student Aid loans that I may qualify for cannot be discharged in the future for any present impairment unless it deteriorates so that I am again totally and permanently disabled. I am also aware that before I can receive any Federal Student Aid loans, I must obtain a physician's certification stating that I have the ability to engage in "substantial gainful activity." A Borrower's Acknowledgement Statement must be completed before any Federal Student Aid loans are received.

In addition, I have also read and understand the information given on the second page of this form.

Student Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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

*Note: The student must sign a new acknowledgment for the school each time they receive a new loan after a disability discharge.*

### Part II: Physician's Certification

Please submit a physician's certification stating that you have the ability to engage in "substantial gainful activity."

*Note: The physician's certification is required only once before the student may borrow new federal student loans after a disability discharge. The school will maintain this certification in the student's files.*

### **Part III: Criteria for Disability Discharge**

The criteria for disability discharge and borrowing again after disability discharge are outlined in the Federal Student Aid Handbook.

Perkins Loans, FFEL, and Direct Loans, as well as TEACH Grant service obligations may qualify to be discharged if the borrower/obligation holder becomes totally and permanently disabled. Except for 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 whose prior loan was discharged due to a total and permanent disability wishes to take out another FSA loan or wishes to receive a TEACH grant, they must obtain a physician's certification (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 they receive a new loan that they have the ability to engage in substantial gainful activity, and they must sign a borrower statement acknowledging that the new FSA loan or the TEACH grant service obligation can't later be discharged for any present impairment unless it deteriorates so that they are again totally and permanently disabled.

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 make satisfactory repayment arrangements 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 and is 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 they must still provide the physician's certification and borrower acknowledgment described above.