

# Borrower Defense to Repayment

Pursuant to 20 U.S.C. § 1087e(h), 34 C.F.R. § 685.206(c)(1), and Master Promissory Note (MPN) under the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Program

As detailed below, I, \_\_\_\_\_, am hereby applying for a full discharge of my federal student loans according to the “Defense to Repayment” provisions of the Higher Education Act and promulgating regulations.

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## Section 1: Borrower Information

SSN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

Zip Code \_\_\_\_\_

Telephone (primary) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Telephone (alternate) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Email (optional) \_\_\_\_\_

Borrower is      Employed  
                         In field of study  
                         Out of field of study  
                         Unemployed

Loan Servicer \_\_\_\_\_

## Section 2: School Information

School Name

School Address

Dates of Attendance      From                      /                      To                      /

Name of program

Type of Credential

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Status                                      Completed

Withdrew

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## Section 3: Illegal Conduct Of School

I assert that certain acts and omissions by \_\_\_\_\_ and/or its agents/representatives give me a defense to repayment of my federal student loan(s) under state and federal law and the terms of my federal student loan agreement(s).

**The illegal conduct by \_\_\_\_\_ includes:**

Misleading me about how this program would affect my job prospects, including:

Citing false and/or misleading job placement statistics and salary information to convince me to enroll in \_\_\_\_\_. Explain:

Misleading me about the type of job placement assistance the school intended to provide me. Explain.

Other false/misleading conduct relating to job prospects. Explain:

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Misleading me about the quality of the program, including:

The pass rate of program graduates in required licensing exams/certifications. Explain:

The fact that my program lacked the required accreditation to allow me to work in my field and/or transfer my credits to another college. Explain:

Other false/misleading conduct relating to the quality of the program. Explain:

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Misleading me about how I would pay for the program, including:

Misleading me about the true cost of the program. Explain:

Misleading me about whether I would have to borrow money to attend ,  
rather than having it paid for entirely in grants. Explain:

Misleading me about the amount of student loans I was borrowing. Explain:

Misleading me about whether my loans were federal or private. Explain:

Misleading me about the terms of repayment on my federal student loans, including what my monthly payments would be. Explain:

Other false/misleading conduct in relation to financial aid. Explain:

Misleading me about my options as the school shut down, including:

Misleading me about the likelihood that the school would shut down. Explain:

Misleading me about my rights and options regarding the teach-out at School, including failing to inform me that I had a right to decline the teach out and receive a full discharge of my federal student loans. Explain:

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Other misleading behavior, including:

Furthermore, the long history of systematic illegal activity and inadequate programs created a high likelihood that school's reputation would be irreparably damaged to the point where the degrees they issued would be worthless. never notified me or otherwise made me aware that that my degree would be worthless due to 's misconduct.

Absent this conduct, I would not have chosen to attend and/or continue attending I decided to pursue a postgraduate education because I wanted to gain the relevant skills to find a more fulfilling career with higher earning potential than I was able to obtain previously. I chose to attend because they represented to me that their program would give me useful skills, that their degree would allow me to earn more than I did previously, and that these benefits would outweigh the burden of paying off the obligations I would incur to finance the degree.

Because of this conduct, I have suffered injury, including:

Federal student loan debt, which has caused me stress, forced me to divert funds from other aspects of my life and otherwise unduly burdened me. Explain:

The inability to enroll in another degree-granting program. Explain:

A difficult time finding employment, either in the field I went to school for or otherwise. Explain:

Missing the opportunity to go to another, better higher education institution and lacking the eligibility for enough federal loans to do so now.

Other injury, including pain and suffering. Explain:



## Section 4: Defense To Repayment of Federal Student Loans

The above conduct gives rise to a cause or causes of action under \_\_\_\_\_ law, which relate(s) directly to my loan and/or the provision of educational services for which the loan was given, including:

Common law action for Fraudulent Misrepresentation;  
and/or common law action for Fraudulent Concealment.

Additionally, the above conduct violates federal law, including:

1. The Federal Trade Commission Act and Federal Trade Commission regulations, which prohibit “a school, in promoting a course of training, to misrepresent the availability of employment after graduation from a course, the success that the member graduates have realized in obtaining such employment, or the salary that the member’s graduates will receive in such employment.” 16 C.F.R. § 254.4(d).
2. Title IV of the Higher Education Act and Amendments, and Department of Education regulations, which prevent schools from participating in Title IV programs from committing “substantial misrepresentation” in interactions with students and prospective students.

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## Section 5: Requested Relief

Therefore, I request that the Servicer and/or Department of Education take the following steps:

1. Cancel any remaining principal, interest, fees and costs associated with my federal student loans, borrowed to attend
2. Cease any collection actions against me in relation to my federal student loans, borrowed to attend
3. Return any sums paid, whether voluntarily or involuntarily, toward my federal student loans, borrowed to attend
4. Remove any adverse reports related to my federal student loans, borrowed to attend School, from all consumer credit reporting agencies.
5. Restore my eligibility to receive funds under Title IV, including by restoring any portions of my lifetime eligibility for Pell Grants and federal student loans previously used in order to attend

I request a notification of a hearing or a determination of my asserted defense to repayment within thirty (30) days, in writing. Should you deny any or all of my defense, please inform me of the process for appealing this decision, in writing. I reserve the right to submit supplementary information in support of this application.

## **Section 6: Borrower Acknowledgment, Certifications, Assignment, And Authorization**

I acknowledge that any person who knowingly makes a false statement or misrepresentation on this form or 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.

I certify, under penalty of perjury, that all of the information I have provided on this form and in any accompanying documentation is true and accurate to the best of my knowledge and belief.

I certify that I will provide, upon request, testimony, a sworn statement, or other documentation reasonably available to me that demonstrates to the satisfaction of the Department that I meet the qualifications for defense to repayment of my student loans.

I certify that, if my defense is successful, upon request I will provide assistance and cooperation to the U.S. Department of Education (the Department) in any proceedings or enforcement actions against the school related to my defense or the conduct asserted herein.

I hereby assign and transfer to the U.S. Department of Education (the Department) any right to a refund on the amount discharged that I may have received from the school and/or any owners, affiliates, or assignees of the school, and from any third party that may pay claims for a refund because of the actions or omissions of the school, up to the amount discharged by the Department on my loan(s).

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.

Borrower's Signature \_\_\_\_\_ Date \_\_\_\_\_