

**Federal Loan Repayment Assistance Program  
For Public Defenders and Prosecutors  
Under the John R. Justice Prosecutor and Defender Incentive Act**

**AWARD ACCEPTANCE  
(SAMPLE)**

Congratulations! You have been awarded the amount of \$\_\_\_\_\_ under the John R. Justice Prosecutor and Defender Incentive Act to assist you in repaying your qualified federal student loans. You need to let us know that you are formally accepting the award as well as details on how we should make payment.

This is an Award Acceptance form that you must fill out and return to us (by email attachment, fax or hard copy) within 72 hours of receipt. It authorizes disbursement of JRJ funds to your loan servicer on your behalf.

- 1. Double-Check that your servicer is correctly named, that the address is the payment address money should be sent to, and that your account number is correct. *Initial each one of these three items.***
  - 2. You must choose whether you want us to disburse the funds in a single lump-sum payment or in monthly installments.**
  - 3. Check off the option you choose, and initial that box (lump-sum or monthly payments).**
  - 4. Depending on which option you chose, initial the amount of the award OR the number *and* amount of monthly payments you want us to make.**
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**Things you should notice about the Award Acceptance Letter:**

- A. You are required to make a choice about how you want payments to be made. *See* below for factors you should consider in making that choice.
- B. The monthly amount was determined by taking your aggregate award and splitting it into as many full payments – but not more than 10 – that we could cover with the amount awarded. Because the JRJ monthly payments will in virtually all cases be higher than the monthly payments that are actually due, there will be some excess; it is likely your servicer will apply that excess to principal (unless you have made other arrangements). The maximum number of payments we will make each year is 10.
- C. You are responsible for the accuracy of the information – we will pay the servicer listed on the form, at the address given, on behalf of the account number listed.
- E. Monthly payments will begin (and lump sum payments made) as soon after March 1st as possible.

**What should you consider in making your choice?**

- A. A lump-sum payment can be treated by your servicer in either of two very different ways:

- (i) applied to any outstanding interest and the payment currently due, with the excess applied to principal. This will diminish the amount of interest charged over the life of the loan and if you are intending to pay off your principal entirely, this option will save you money in the long run and pay off the loan earlier
- (ii) applied “to advance the due date”, which seems to mean it is *deemed* to cover a number of monthly payments (as many as the funds will cover) – this excuses you from making those payments yourself for as long as the money lasts. While this treatment is possible, previous experience indicates it is not something all servicers are willing to do.

B. If you have a *direct* student loan, consolidated or not, you may be working toward 120-payment Public Interest Loan Forgiveness, which will forgive all remaining principal after 120 payments made *after October 2007*, on time, and of at least the minimum amount. A lump-sum payment, from what we understand, will be counted as only one payment, even if “deemed” to cover a number of monthly payments. Payments on FFEL loans are not eligible for Public Interest Loan Forgiveness; only payments on *direct* student loans are eligible.

C. **Your responsibilities:**

- You, not us, are ultimately responsible for ensuring that payments are made in the correct amount and on a timely basis. We will make every effort to do so, but the ultimate responsibility is yours.
- You must monitor your account to bring any problems to our attention.
- You, not us, are responsible for any penalties, fees, or other adverse consequences flowing from a failure to make monthly payments even if the error is caused by our negligence.
- When the award is fully expended, you must resume making whatever monthly payments are due.
- If you become *ineligible* while monthly payments are being made, you will *immediately notify us that you are no longer eligible* (i.e., no longer a fulltime defender or prosecutor in qualifying employment).

I elect my payment(s) to be made as follows (check one and furnish payment information):

One lump-sum payment     monthly payments of [            ]

**Lender Information:**

Servicer Name (as it should appear on the check): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Account No: \_\_\_\_\_                      Current monthly payment: \_\_\_\_\_

initial each highlighted section and sign below. If you have any questions, please call Anne-Marie Amaral at 222-1582 or email us at [JRJProgram@ripd.org](mailto:JRJProgram@ripd.org).

\_\_\_\_\_  
Applicant/Beneficiary

\_\_\_\_\_  
Date