

STUDENT LOAN REPAYMENT SERVICE AGREEMENT
FOR OFFICIAL USE ONLY (When filled in)

Privacy Act Statement

The collection of this information is authorized by 5 U.S.C. 5379 in order to facilitate the repayment of student loans, where authorized. Providing this information is voluntary but choosing not to provide the requested information will preclude the payments by the Department of the Navy.

Title 5 U.S.C. 5379 allows repayment of outstanding federally insured student loans made by educational institutions or banks and other private lenders as authorized by the Higher Education Act of 1965 and the Public Health Service Act. Student loan repayments are made directly to the lender subject to the conditions stated in this agreement. Use of this authority in no way constitutes a right, promise, or entitlement for continued employment or noncompetitive conversion to the competitive service.

CONDITIONS OF EMPLOYMENT

The Department of the Navy agrees to provide a student loan repayment benefit to:

Employee Name	Position Title	Social Security Number

Subject to the conditions of employment stated in this document.

1. The employee agrees to an additional year of service for each increment of \$6000.00 paid beyond the initial yearly maximum of \$6000.00
2. Repayments will cease if the employee leaves the activity prior to completion of service agreement.

STATE OTHER CONDITIONS OF EMPLOYMENT SPECIFIC TO EACH AGREEMENT AS DESCRIBED IN 5 CFR 537.107(A) HERE OR ATTACH AS SEPARATE PAGE.

CONDITIONS OF LOAN REPAYMENT

I agree to complete Years (*Minimum of Three Years*) Service. My period of service begins on the date DFAS makes the first payment to the holder of my loan. In return, the Department of the Navy will make payments on my outstanding federally insured loan to: (LENDERS NAME AND ADDRESS)

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REPAYMENT AMOUNT TOTAL	YEARS
<p>Increases or renewals made under this part not to exceed \$6,000.00 each calendar year up to a lifetime total of \$40,000.00 may not be made without requiring a new period of service. If increases or renewals are made, Defense Finance and Accounting Service (DFAS) will be provided a new, revised copy of this service agreement reflecting the amendments.</p>	
<p><u>LOAN REPAYMENT PROCEDURES</u></p> <p>DFAS will make payments to the lender on a bi-weekly basis. It will determine the amount to be paid by dividing the annual repayment amount by the number of pay periods in the year for which payments are made. This usually will be 26 payments per year, except for years having 27 pay periods. In those cases, 27 bi-weekly payments will be made. The loan repayment amount will be considered as taxable wages and tax withholding will be made on a bi-weekly basis as appropriate. The Department of Defense (DoD) is not responsible for any late fees or penalties assessed by the loan holder(s) prior to, during, or subsequent to this agreement.</p>	
<p><u>REIMBURSEMENT OF LOAN REPAYMENT BENEFIT</u></p> <p>I understand I will no longer be eligible for the loan repayment incentive if I voluntary end my employment with the Department of the Navy, am separated for reasons of misconduct or performance, fail to maintain an acceptable level of performance (as defined by each DoD Component), or in any violate the terms of this agreement.</p>	
<p>_____</p> <p style="text-align: center;">EMPLOYEE SIGNATURE DATE (DDMMYY)</p>	
<p>I CERTIFY THAT I HAVE DISCUSSED THE CONDITIONS OF THE STUDENT LOAN REPAYMENT PROGRAM WITH THE EMPLOYEE.</p>	
<p>_____</p> <p style="text-align: center;">HRO REPRESENTATIVE SIGNATURE DATE (DDMMYY)</p>	
<p>*THIS INFORMATION IS SUBJECT TO THE PRIVACY ACT OF 1974, AS AMENDED.*</p>	