

Effect of Loan Status on Student Aid Eligibility

Loan Status	NSLDS Code	Eligible for SFA Funds*
In school, grace period,	DA-Deferred FB-Forbearance ID-In school or grace period RP-In repayment	Yes
Paid	DP-Default, then paid in full PC-Paid in full through consolidation PF-Paid in full	Yes For consolidation, it does not matter what type of consolidation loan the borrower received, nor whether loan was in default before consolidation.
Lost guarantee	UI-Uninsured, Unreinsured	Yes It does not matter if the loan was in default.
Canceled or discharged	BC-No default, bankruptcy discharge CA-Canceled DF-Default, false certification discharge DG-Default, false certification (ability to benefit) discharge DI-Disability DJ-Default, discharged by judicial ruling DK-Default, bankruptcy discharge DN-Default, closed school discharge DS-Default, disability cancellation EA-False certification (ability to benefit) discharge EC-Closed school discharge EF-Loan discharged for fraudulent disbursement EJ-Court ordered write-off OD-Default, bankruptcy discharge	Yes For a borrower who had a disability cancellation to receive new loans, the borrower must have a doctor's certification that his or her condition has improved and sign a statement indicating that he or she is aware that the new loan cannot be canceled on the basis of any present impairment unless the condition deteriorates.
No default, bankruptcy filing	BK-No prior default, active bankruptcy claim	Yes Loan was not in default and has not been discharged.
Default	DL-Defaulted, in litigation DT-Defaulted, collection terminated DU-Defaulted, unresolved	No
Default, bankruptcy filing	DB-Defaulted, active bankruptcy claim DO-Defaulted, active bankruptcy claim	No, unless debtor can show that loan is dischargeable.
Default, compromise	DC-Defaulted, compromised	Yes Compromise is recognized as payment in full.
Default, written-off	DW-Defaulted, write-off	No, unless debtor reaffirms loan and makes satisfactory repayment arrangements or repays loan in full.
Default, satisfactory repayment arrangement	DX-Defaulted, satisfactory arrangements, and six consecutive payments	Yes, if borrower continues to comply with repayment plan or is granted forbearance.

*Federal Perkins Loan regulations allow the financial aid administrator to deny eligibility for additional loans if he or she has evidence that the applicant is unwilling to repay the loan.