**DEFERMENT & CANCELLATION FOR GRADUATE INCENTIVE SCHOLARS AWARD PROGRAM**

A borrower may defer his or her Graduate Incentive Scholarships for one of two reasons: 1) The borrower is deferring prior to cancellation or 2) The borrower is serving an internship or residency. A borrower may have up to $5,000 a year of his or her Graduate Incentive Scholarship cancelled for working an entire year in the state of South Carolina. This work is not required to be in the borrower's field of study; the only requirement is that employment be with an entity conducting business within South Carolina.

**MUSC Procedures:**

- MUSC gives borrowers a six month grace period after graduation or after leaving the school for any other reason to get all of the paperwork in to defer the payments or to make arrangements to start making payments.
- If a deferment is not granted before the grace periods ends, the borrower must start repaying the loan at the end of the grace period.
- For a May graduate the grace period ends on December 1 with payment due January 1 of the following year.

**Pre-Cancellation Deferment:**

- When a borrower starts working in South Carolina he or she should submit a deferment form (choosing the first choice on the deferment form) for a one-year period starting with the date of employment. (E.g. – A borrower starts working at MUSC on June 15, 2003 he or she should submit the deferment form for the period starting 6/15/2003 until 6/15/2004 within thirty-days of starting their job.)
- Deferment forms should be submitted to MUSC – Student Accounting. Included with the deferment form should be a statement from the borrower's employer verifying the start date of employment with the entity that is conducting business within the state of South Carolina.
- Once all of the proper forms are received by Student Accounting we will put the borrower in a one-year deferment status which means that there would not be any payment due or interest accumulating during this time period.
- Cancellation forms should be submitted by the borrower to MUSC – Student Accounting at the end of each year of deferment. The third
choice on the Cancellation form should be checked. Included with the
cancellation form should be a statement from the employer verifying the
dates of employment.

• The employment must be full time without any gaps between
  employment.
• MUSC reports credit history monthly to the credit bureaus.
• If deferment or cancellation forms are not submitted on time this will
  cause payment to become due and would result in late payment on your
  credit history. This history can not be changed.
• Graduate Incentive Scholarships can be cancelled because of total &
  permanent disability or because of death.

Internship, Residency, or Fellowship Deferment:

• When a borrower starts an internship, residency, or fellowship he or she
  should submit a deferment form for a one-year period.
• Deferment forms should be submitted to MUSC – Student Accounting
• The Deferment form should be completed by the borrower and certified
  by the authorizing official. The second choice on the deferment form
  would be checked and completed. Verification for these types of
deferments must bear an official stamp or seal of the institution.
• Once all of the proper forms are received by Student Accounting we will
  put the borrower in a one-year deferment status which means that there
  would not be any payment due or interest accumulating during this time
  period.
• This deferment must be renewed each year that the borrower is in an
  internship, residency or fellowship. Deferment can only be granted for
  one year at a time.
• MUSC reports credit history monthly to the credit bureaus.
• If deferment forms are not submitted on time this will cause payment to
  become due and would result in late payment on your credit history. This
  history can not be changed.

Please call Student Accounting at (843) 792-2170 for more details.