

Federal Direct Stafford Loan Request Form

Spring/Summer 2012



**SAVANNAH
TECHNICAL COLLEGE**

PERSONAL INFORMATION *(Please print clearly)*

Student Name: _____
First Name *Last Name*

Student ID: _____

Mailing Address: _____
Street Address/PO Box

City *State* *Zip Code*

Phone Numbers: _____ - _____ - _____
Cell *Home*

Work *Email Address*

Current Program of Study: Degree/Diploma/Certificate in:
Circle One

Requested Loan Amount:
 \$ _____
The loan will be distributed equally over each semester and disbursed after the semester begins.

Your Next Steps:
 Log on to <https://studentloans.gov> and
 1. complete the online Entrance Counseling and
 2. complete the electronic Master Promissory Note (E_MPN)
Once completed – your loan will be processed.

Before I borrow these funds, I fully understand and agree to the following:

- **THIS IS A LOAN AND MUST BE REPAYED TO THE DEPARTMENT OF EDUCATION DIRECT LOAN SERVICING.** I have the right to cancel the loan at any time.
- I understand this money is to be used for educational expenses (tuition, fees, books/supplies, transportation, etc.) and I authorize STC to deduct these direct costs from my loan.
- I must be enrolled at least half-time in a minimum of six credits at Savannah Technical College (STC) in an eligible program of study and be maintaining Satisfactory Academic Progress (SAP).
- STC will certify my loan eligibility for the maximum loan amount allowed by federal regulations or the amount requested on this form, whichever is less. STC has the right to reduce my loan amount if required by federal regulations or if additional financial aid or other resources are received.
- The Federal Direct Stafford Loans are subject to a **loan fee** not to exceed 1.0% of the loan and will be deducted automatically from each loan disbursement.
- I understand that the Department of Education offers a 0.5% rebate upfront. To receive this rebate, I must **make the first 12 payments of my loan on time; otherwise, the 0.5% will be added back to my loan balance.**
- Repayment begins six months after I cease to be enrolled at least half-time (less than 6 credits), graduate, completely withdraw, transfer, or stop attending classes.
- **I must inform the STC Office of Financial Aid** once I cease to be enrolled at least half-time, graduate, completely withdraw, transfer, or stop attending classes and must complete Exit counseling to go over repayment obligations.
- The terms and conditions of borrowing from the Federal Direct Loan Program as required by the MPN.

Student Signature

Date Requested

For School Use Only:	Eligible Prgm: Yes / No	S AP: Yes / No	_____ GPA	Year in School _____	Hrs. Enrolled: _____
NSLDS Loan Debt: _____	30-day delay: Yes / No	Entrance Counseling Completed: Yes / No	E_MPN Completed: Yes / No		
COA: \$ _____	- EFC: \$ _____	- EFA: \$ _____	- WorkStudy: \$ _____	- Resources \$ _____	= Need: \$ _____
Apprvd Sub Loan \$ _____	/Unsub: \$ _____	Certified/Entered in Banner by: _____	Date: _____		



Borrower's Rights and Responsibilities

Student Borrower Name: (print clearly)

Student ID:

As a student loan borrower, I understand I have the right to:

- ✓ Written information on my loan obligations and information on my rights and responsibilities as a borrower
- ✓ A copy of my MPN either before or at the time my loan is disbursed
- ✓ A grace period and an explanation of what this means
- ✓ Notification, if I am in my grace period or repayment, no later than 45 days after a lender assigns, sells or transfers my loan to another lender
- ✓ A disclosure statement, received before I begin to repay my loan, that includes information about interest rates, fees, the balance I owe, and a loan repayment schedule
- ✓ Deferment or forbearance of repayment for certain defined periods, if I qualify and if I request it
- ✓ Prepayment of my loan in whole or in part anytime without an early repayment penalty
- ✓ Documentation that my loan is paid in full

I understand I am responsible for:

- ✓ Completing exit counseling before I leave school or drop below halftime enrollment
- ✓ Repaying my loan according to my repayment schedule even if I do not complete my academic program, I am dissatisfied with the education I received, or I am unable to find employment after I graduate
- ✓ Notifying my lender or loan servicer if I:
 - Move or change my address
 - Change my telephone number
 - Change my name
 - Change my social security number
 - Change employers or my employer's address or telephone number changes
- ✓ Making monthly payments on my loan after my grace period ends, unless I have a deferment or forbearance
- ✓ Notifying my lender or loan servicer of anything that might alter my eligibility for an existing deferment or forbearance

I have received entrance counseling materials for Direct Loan borrowers. I have read and I understand my rights and responsibilities as a borrower. I understand that I have a loan from the federal government that must be repaid.

Student's Signature

Date



Federal Direct Loan Information

What you need to know before you borrow...

To be considered for a Federal Direct Stafford Loan you must:

- ✓ Complete a Free Application for Federal Student Aid (FAFSA) form each year
- ✓ Meet ALL general eligibility criteria for federal aid (see catalog or website for specific requirements)
- ✓ Provide all documentation required by the Financial Aid Office
- ✓ Complete the Savannah Technical College Federal Direct Loan Request form and submit to the Financial Aid Office
- ✓ Complete the online Entrance Loan Counseling with the Department of Education each year
- ✓ Complete the online Electronic Master Promissory Note (E-MPN) with the Department of Education
- ✓ Agree to use these funds for educational related expenses only (i.e., tuition, fees, books and supplies, transportation, child care)
- ✓ Agree to repay the loan when you are no longer enrolled at least half-time (minimum six credits)

Types of Loans

Direct Stafford Loans, from the William D. Ford Federal Direct Loan (Direct Loan) Program, are low-interest loans for eligible students to help cover the cost of higher education at a four-year college or university, community college, or trade, career, or technical school. Eligible students borrow directly from the U.S. Department of Education (DOE) at participating schools.

Direct Stafford Loans include the following types of loans:

- **Direct Subsidized Loans**—Direct Subsidized Loans are for students with financial need. Your school will review the results of your Free Application for Federal Student Aid (FAFSA) and determine the amount you can borrow. You are not charged interest while you're in school at least half-time and during grace periods and deferment periods.
- **Direct Unsubsidized Loans**—You are not required to demonstrate financial need to receive a Direct Unsubsidized Loan. Like subsidized loans, your school will determine the amount you can borrow. Interest accrues (accumulates) on an unsubsidized loan from the time it's first paid out. You can pay the interest while you are in school and during grace periods and deferment or forbearance periods, or you can allow it to accrue and be capitalized (that is, added to the principal amount of your loan). If you choose not to pay the interest as it accrues, this will increase the total amount you have to repay because you will be charged interest on a higher principal amount.

Master Promissory Note - When you receive a Stafford Loan for the first time, you must complete an electronic Master Promissory Note (E-MPN). The E-MPN is a legal document in which you promise to repay your loan and any accrued interest and fees to the Department of Education. It also explains the terms and conditions of your loan. In most cases, one E-MPN can be used for loans that you receive over several years of study. If you previously signed an E-MPN to receive a FFEL Program loan, you will need to sign a new E-MPN for a Direct Loan.

Entrance Counseling – Before a loan may be disbursed each year, you must complete the Department of Education online Entrance Counseling. The Entrance Counseling sessions explains your rights and responsibilities as a student loan borrower. Visit the DOE website at <https://studentloans.gov>.

Loan Fees

There is a loan fee on all Direct Subsidized and Unsubsidized Loans. The loan fee is a percentage of the amount of each loan you receive. For loans first disbursed on or after July 1, 2010, the loan origination fee is 1.0%. The DOE will deduct the loan origination fee proportionately from each loan disbursement. The specific loan origination fee that you are charged will be reflected in a disclosure statement that the DOE will send to you.

Interest Rate

Direct Subsidized Loans - Undergraduate students—If the first disbursement of your subsidized loan is between July 1, 2011 and June 30, 2012, the interest rate on your loan is fixed at 3.4%.

Direct Unsubsidized Loans—The interest rate is fixed at 6.8% for all borrowers (undergraduate and graduate).

Interest rate cap for military members—If you qualify under the Service Members Civil Relief Act, the interest rate on loans you obtained before entering military service may be capped at 6% during your military service. You must contact your loan servicer to request this benefit.

In addition, the DOE does not charge interest (for a period of no more than 60 months) on Direct Loans first disbursed on or after October 1, 2008, while a borrower is serving on active duty or performing qualifying National Guard duty during a war or other military operation or other emergency, and serving in an area of hostilities qualifying for special pay.

Loan Limits

There are limits on the maximum amount you are eligible to receive each academic year (annual loan limit) and in total (aggregate loan limits). The actual amount you can borrow each year depends on your year in school, whether you are a dependent or independent student, and the cost of attendance (based on enrollment status) minus other financial aid. It is important to note that the amount you are approved to borrow may be less than the annual maximum amount and less than you request. The school will determine what types of loans and how much you may borrow.

Depending on your financial need, you may be eligible to receive a subsidized loan for an amount up to the annual subsidized loan borrowing limit for your level of study. If you have education expenses that have not been met by subsidized loans and other aid, you may also receive an unsubsidized loan so long as you do not exceed the combined subsidized and unsubsidized annual loan limits.

Loan Disbursements

Your loan(s) will be distributed to Savannah Technical College in at least two installments. No installment may exceed one-half of your loan amount. STC will use your loan money first to pay for tuition and fees, room and board, and other school charges. If any loan money remains, you will receive the funds by check or transferred to a debit card, unless you give STC written authorization to hold the funds until later in the enrollment period.

If you are a first-year undergraduate student *and* a first-time borrower, the Department of Education requires a 30-day delay on the first disbursement of your loan.

Anticipated Disbursement Dates:

Spring 2012	January 24, 2012
Summer 2012	June 11, 2012

Financial Aid Refunds

If you borrow more in loans that is needed to cover the direct cost of tuition and mandatory fees, this will result in an excess payment or credit balance on your student account. The Business Office will make the excess payment available to you within 14-days after the funds are received from the DOE.

Prior Federal Loans and Financial Aid History

If you currently have a Stafford Loan and would like to check the interest rate, servicer information, and other financial aid history, visit the [National Student Loan Data System](http://www.nslds.ed.gov) website at www.nslds.ed.gov. Using your Federal Student Aid PIN#, you can access your student financial aid history.

Repayment

When you receive your first Direct Loan, you will be contacted by the servicer for that loan (you repay your loan to the loan servicer). Your loan servicer will provide regular updates on the status of your Direct Loan, and any additional Direct Loans that you receive.

Repayment begins after you graduate, leave school, or drop below half-time enrollment. You will have a six-month grace period before you begin repayment. During this period, you'll receive repayment information from your loan servicer, and you'll be notified of your first payment due date. Monthly payments are required.