



DIRECT LOAN RIGHTS AND RESPONSIBILITIES

- I understand that student loan money must be used to pay for authorized educational expenses such as tuition & fees, room & board, books, supplies, equipment, transportation, dependent child care expenses, commuting expenses, rental or purchase of a personal computer or other authorized costs.
- I understand that I must be enrolled in a minimum of six credit.
- I understand that I must be making satisfactory academic progress.
- I understand that I must complete Federal Loan Entrance Counseling and sign the Federal Master Promissory Note (MPN) before the loan is disbursed.
- I understand that if I receive additional aid, such as scholarships, my loan(s) may be reduced or cancelled.
- I understand that Subsidized and Unsubsidized loans have fixed interest rates and are determined yearly.
- I understand that I have the right to cancel my loan within 14 days of notification of loan disbursement.
- I understand that I am obligated to repay my loans even if I do not complete the academic program, am unable to find employment, or I am otherwise dissatisfied with the education received.
- I understand that I may prepay all or part of my loans without penalty.
- I understand that I must notify my Loan Servicer if there is a change in: name, address, phone number, change in graduation date, enroll in less than six credit hours, withdraw or transfer to another school.
- I understand that if I stop attending or if I withdraw from all my classes, I may be required to return a portion or all the loan amounts disbursed.
- I understand that if/when I graduate, drop below six hours, or stop attending, I must complete exit counseling.
- I understand that if I default on my student loan(s) for non-payment, the entire unpaid balance of my loan(s) plus costs will be due immediately, I will lose eligibility for other federal student aid, it will be reported to all national credit bureaus, federal and/or state income tax refunds may be applied to loan balance and wages may be garnished.

I have read and fully understand the information stated on this form.

Printed Name: _____

Eagle ID: _____

Signature: _____

Date: _____

NOTE: LOAN AMOUNTS ARE AWARDED BASED ON GRADE LEVEL, CLASS LEVEL AND UNMET NEED. If you are requesting a loan for one semester please divide the annual amounts above in half.

SUBSIDIZED: A subsidized Federal loan is based on financial need as determined by federal regulations. Interest is paid by the federal government while enrolled in at least 6 credit hours and during deferment periods.

UNSUBSIDIZED: An unsubsidized Federal Loan is not based on financial need. Interest is not paid by the federal government. Interest accrues after your first disbursement. You have the choice to pay the interest while you are in school or it will be capitalized. **Capitalization** means that the unpaid interest is added to the principal balance. Future interest is charged on the increased principal balance, and this will increase the amount of your monthly payment and the total amount you repay over the life of the loan.

Loan Request

Select the Semester(s) you would like the loan for:

Fall/Spring Fall Only Spring Only Summer Only Other

First-time Stafford Loan Borrowers (A first-time borrower is one who does not have an outstanding balance on a Stafford Loan on July 1, 2014.) You must complete the Entrance Counseling and Promissory Note at www.studentloans.gov

Loan Amount Requested for selected Semester(s)

I request the following loan type(s): Subsidized **Amount Requested \$** _____
 Unsubsidized **Amount Requested \$** _____

By Signing this form, I am requesting that Northern New Mexico College process a Federal Student Loan which I understand I must pay back including any fees and interest.

I acknowledge that I am aware that my loan will be submitted to the National Student Loan Data System and be accessible by guaranty agencies, lenders, and institutions determined to be authorized users of the data system. For more information, visit studentaid.gov.

Student Signature _____ Date _____