



2011-2012 Financial Aid Response Form

Please read both sides of this sheet, complete, sign where indicated, and return to the Office of Law Financial Aid and Scholarships.

Name: _____

Social Security Number or Campus Wide ID Number: _____

- I understand when I sign and return this form, I will be accepting the financial aid award offered by Loyola University New Orleans. I would like to reject the following parts of my financial aid:

- I understand that this financial aid offer is subject to the conditions listed in this packet and online at www.law.loyno.edu/lawaid. I understand that I am responsible for submitting all requested documentation to the Office of Law Financial Aid and Scholarships in a timely manner. I understand that my award is not final until all documents have been received and reviewed by the financial aid office.
- I understand that I must make satisfactory academic progress towards completing my degree in order to receive financial aid in subsequent academic years. Loyola University New Orleans' satisfactory academic progress policy is posted in the College of Law Bulletin.
- I understand that I must reapply for financial aid every year by completing the FAFSA at www.fafsa.gov.
- If my financial aid award includes loans, I understand that loans are serious legal obligations that must be repaid according to the terms of my promissory note.
- If my award includes a William D. Ford Federal Direct Stafford Loan, I have completed the requirements printed on the back of this form.
- Graduate and Professional students must be enrolled in a minimum of 5 credit hours each semester in order to be eligible for federal loans.
- I understand that I must disclose any assistance I will receive from other programs, such as private scholarships, grants, tuition remissions and employer tuition payments, etc. Use the space below to report the source and annual amount of the aid from other programs:

- I authorize Loyola University to use scholarship, grant and student loan funds to pay my obligations that are charged to my Loyola tuition account. Such charges can include tuition, fees, residence hall charges, meals, books, parking fees, fines and minor debts (less that \$200) to Loyola from prior terms.

Certification:

I declare under penalty of perjury under the laws of the United States that the information I have given and the certifications I have made are true and correct. I understand that anyone who knowingly makes false statement in connection with applying for financial assistance is subject to penalties as prescribed under the United States Criminal Code.

Signature of Student Applicant

Date

See Reverse for Federal Loan Information
OFFICE OF LAW FINANCIAL AID AND SCHOLARSHIPS
7214 ST. CHARLES AVE., BOX 919
NEW ORLEANS, LA 70118

THE WILLIAM D. FORD FEDERAL DIRECT STAFFORD LOAN PROGRAM

Your financial aid award letter may include an assumed Federal Direct Stafford Loan. You do not have to accept this part of your aid award. However, you will not receive additional scholarship or grant aid because you choose to reject the loan. We would encourage all first-time borrowers to review the information on our Internet homepage at www.law.loyno.edu/lawaid or the enclosed Student Loan Information Guide.

In the Federal Direct Stafford Loan Program, the U.S. Department of Education acts as the lender. Federal Direct Loans include:

The Subsidized Federal Direct Stafford Loan

The federal government pays the interest accruing on a subsidized Federal Stafford Loan while the student is enrolled at least half time. Repayment begins six months after your last enrollment on at least a half-time basis. The current interest rate for 2011-2012 Graduate students, Subsidized Direct Loans is 6.8 percent.

The Unsubsidized Federal Direct Stafford Loan

Interest accrual begins at disbursement until it is paid in full. You may pay the interest while you are enrolled or allow it to accrue and be capitalized. Repayment of principal and interest begin six months after your last enrollment on at least a half-time basis. The current interest rate for Direct Unsubsidized Loans is fixed at 6.8 percent.

Loan Fees

The U.S. Department of Education will charge a 1.0 percent loan origination fee for processing your loan. However, direct loan borrowers receive an interest rate rebate of 0.5 percent, reducing the up front fee to 0.5 percent. Upon entering repayment, borrowers must make their first 12 loan payments on time to keep this benefit. The loan origination fee is deducted proportionately from each disbursement of your student loan.

IN ORDER TO PROCESS YOUR FEDERAL DIRECT STAFFORD LOAN YOU MUST COMPLETE THE FOLLOWING REQUIREMENTS:

1. Entrance Counseling:

Students who are borrowing for the first time under the Federal Stafford & Grad Plus Loan Program at Loyola University **must** complete an Entrance Counseling session before funds can be disbursed to their accounts. Students can also fulfill this requirement online at www.studentloans.gov. Please note your Stafford Loan will not be credited to your student account until this form is completed.

2. Master Promissory Note:

Please complete a Stafford Loan Master Promissory Note online at <http://www.studentloans.gov>. Your loan will not be disbursed until this form is completed.

Student Loan Information Guide

The Loyola University Office of Scholarships and Financial Aid recognize that financing a Loyola education may involve deferring some of the costs through a low interest loan program. Your educational investment will require informed financial decisions about loans, and we are committed to helping you understand your federal loan eligibility and options. We have designed this guide to provide information about the **Subsidized Stafford Loan, the Unsubsidized Stafford Loan, and the Plus Loan for Graduate and Professional students, offered through the William D. Ford Federal Direct Loan Program.** Students participating in the Direct Loan program borrow from the federal government.

TYPES OF LOANS

Subsidized Stafford Loan:

A Subsidized Stafford Loan is a need-based loan, as determined by the FAFSA. The federal government pays the interest while you are enrolled at least half time. There is a six-month grace period after your last date of at least half-time enrollment before you begin repayment on the loan. The U.S. Department of Education will charge a 1.0 percent loan origination fee for processing your loan. However, direct loan borrowers receive an interest rate rebate of 0.5 percent, reducing the up front fee to 0.5 percent. Upon entering repayment, borrowers must make their first 12 loan payments on time to keep this benefit.

For GRADUATE and PROFESSIONAL STUDENTS: The interest rate is fixed at 6.8 percent for all Subsidized Stafford Loans with a first disbursement on or after July 1, 2006.

Unsubsidized Stafford Loan:

An Unsubsidized Stafford Loan is a non-need-based loan. You are responsible for all interest from the time the loan is disbursed until it is paid in full. You may pay the interest while you are enrolled or allow it to accrue and be capitalized. For undergraduate, graduate and professional students, the interest rate is fixed at 6.8 percent. The U.S. Department of Education will charge a 1.0 percent loan origination fee for processing your loan. However, direct loan borrowers receive an interest rate of rebate of 0.5 percent, reducing the up front fee to 0.5 percent. Upon entering repayment, borrowers must make their first 12 loan payments on time to keep this benefit.

Plus Loans for Graduate and Professional Students

Graduate and Professional degree students are now eligible to borrow under the PLUS Loan Program up to their cost of attendance minus other estimated financial assistance. The requirements include a determination that the applicant does not have an adverse credit history. Applicants for these loans are required to complete the Free Application for Federal Student Aid (FAFSA). They also must have applied for their annual loan maximum eligibility under the Federal Subsidized and Unsubsidized Stafford Loan Program before applying for a Graduate/Professional PLUS loan. Students must complete an application/master promissory note online. The loan has a fixed interest rate of 7.9 percent and loan fees are 4 percent with an upfront interest rebate of 1.5 percent. Upon entering repayment, borrowers must make their first 12 loan payments on time to keep this benefit.

APPLYING FOR A FEDERAL DIRECT LOAN

Graduate and Professional students must be enrolled in a minimum of 5 credit hours in a degree-seeking program each semester in order to be eligible for federal loans. Students must be making satisfactory academic progress and must not be in default on any federal education loans.

MASTER PROMISSORY NOTE (MPN)

You must complete a Master Promissory Note (MPN). The MPN is a legally binding agreement to repay your loan to the Department of Education. In most cases, one MPN can be used for loans that you receive over several years of study. It is very important that you understand the long-term commitment you are making by signing this note. We encourage you to record all amounts that you borrow and keep all your loan paperwork together so you can keep track of your cumulative borrowing. The loan will not disburse to Loyola until you complete the Master Promissory Note.

You must sign the MPN online at <http://studentloans.gov>.

ENTRANCE COUNSELING REQUIREMENT

Borrowing money is a serious legal obligation. We want all of our students to fully understand their rights and responsibilities under this program. First-time undergraduate and graduate borrowers at Loyola must also complete an “Entrance Interview” before receiving funds. Students can complete this requirement online at www.studentloans.gov.

BORROWING LIMITS

Stafford Loan borrowing limits for Graduate/Professional students may borrow up to \$20,500 in both subsidized and unsubsidized Stafford Loan funds (no more than \$8,500 of this amount may be in subsidized loans).

CONTACT INFORMATION FOR THE FEDERAL DIRECT LOAN PROGRAM

Direct Loan Website: www.studentloans.gov

Repayment of your Direct Loan:

Borrower services at the Direct Loan Servicing Center
1-800-848-0979 or www.dl.ed.gov

Direct Loan Consolidation Center:

1-800-557-7392 or www.loanconsolidation.ed.gov