



National Student Loan Program

Entrance Counseling

If you are receiving a student loan, complete the form, sign it at the bottom, and keep a copy.

Borrower Information (please print)

Last Name		First Name		MI	Social Security Number
Address			City	State	Zip Code
E-Mail Address					Driver's License Number and State
Telephone Numbers	Permanent ()	Work ()	Cell ()	Alternative ()	

- Borrow only what you need and what you can afford to repay.
- Keep track of the amount you borrow and the lender's name, address and phone number.
- Keep records of the loans you receive, especially the promissory note and any loan information you receive from your school or lender.
- Contact your lender about repayment options if you can't afford your loan payment.
- Read this information carefully and review the repayment, deferment, forbearance, cancellation and consequences of default information on the back side of this form.

Your Rights and Responsibilities

- You must use the loan money only for authorized educational expenses.
- You are entitled to a copy of your promissory note before or at the time the loan is made. Your lender must provide you with a disclosure that includes details about your loan before your loan is made and when your loan must be repaid .
- You must notify your lender any time you drop to less than half-time enrollment or change schools. Also notify your lender if you change your name, address, phone number, social security number, references or driver's license number; and, before you leave school, provide your permanent address, the name and address of your expected employer, and the address of your next of kin.
- You must repay your loan, plus interest, even if you do not complete the program, you are unable to obtain employment after you complete it, or you are dissatisfied with or do not receive the education or other services you purchased from the school. You can prepay your loan at any time without penalty.
- Your lender may sell your loan or use a servicer to manage your account and must notify you of the name, address and telephone number of the new lender.
- You have a right to defer repayment of your loan in certain circumstances, for instance if you are in school, unemployed or experiencing an economic hardship. Contact your lender for eligibility requirements.

Master Promissory Note

If you signed a Master Promissory Note (MPN), you may receive multiple loans for a maximum 10-year period using the same promissory note. Your school will notify you of the loan amount you are eligible to receive for each academic period, and whether the loan is subsidized or unsubsidized. You must notify your lender if you do not want to receive additional loans under the MPN. If you want to change lenders, notify your school and contact the lender from whom you wish to borrow to sign a new MPN.

I received counseling about my student loan and information about the estimated payment amount, repayment options, and deferment, forbearance and cancellation opportunities I will have on the loan. I understand that borrowing a student loan is a serious obligation, the student loan must be repaid, and there are serious consequences if I fail to do so.

Borrower's Signature _____ **Date** _____

Repayment Plans and Payments

You have a choice of a standard, graduated, income-sensitive, or extended repayment plan, and you may change the repayment plan once a year. Some lenders allow you to change plans more frequently.

Repayment Plans and Payments

Loan Amount	Standard Up to 10 years		Graduated Up to 10 years*		Income Sensitive** Up to 10 years		Extended Up to 25 years		Consolidation*** Up to 30 years		
	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Years	Total Payments
\$ 5,500	\$ 63	\$ 7,595	\$ 31	\$ 8,099	\$ 42	\$ 7,692	----	----	\$ 63	10	\$ 7,595
7,500	86	10,357	42	11,044	53	10,507	----	----	77	12	11,035
10,000	115	13,809	57	14,726	67	14,027	----	----	89	15	16,053
15,000	173	20,714	85	22,089	96	21,066	----	----	134	15	24,080
23,000	265	31,762	130	33,871	141	32,328	----	----	176	20	42,383
30,000	345	41,429	170	44,180	181	42,182	----	----	230	20	55,283
46,000	529	63,524	261	67,742	272	64,707	\$ 319	\$ 95,781	321	25	96,438
60,000	690	82,858	340	88,359	351	84,415	391	140,818	394	30	141,897
100,000	1,151	138,096	567	147,265	578	140,726	652	234,695	657	30	236,494
138,500	1,594	191,264	785	203,962	796	194,924	903	325,051	910	30	327,545

Payment estimates are based on 6.8% interest rate. Stafford loans disbursed on or after July 1, 2006 are fixed at 6.8%. Undergraduate subsidized Stafford loans disbursed on or after July 1, 2008 are fixed at 6.0%.

*Only 1st tier of payments displayed.

**For purposes of this chart, income-sensitive payment amounts are based on an annual income of \$25,000.

***Consolidation interest rate is a weighted average rounded up to the nearest 1/8 of 1%. Payment amounts are based on 6.875% interest rate.

Standard Repayment lets you repay the loan in equal monthly payments over the loan's term.

Graduated Repayment allows you to begin repayment with a lower monthly payment amount, which increases gradually over the loan's term.

Income-Sensitive Repayment adjusts your monthly payment annually based on your total income and student loan debt.

Deferment You are entitled to defer your loan payments in certain circumstances depending on when you obtained your first student loan. You may be eligible for one of the most common types of deferments if you are: attending school at least half-time, studying full-time in a graduate fellowship program, or participating in a full-time rehabilitation training program for individuals with disabilities; conscientiously seeking, but unable to find full-time employment; experiencing an economic hardship; or for active duty military service. Contact your lender for a complete list of deferments, eligibility requirements, and instructions for submitting any documentation the lender may need. Your lender can temporarily suspend your loan payments while you gather the deferment documentation. For Subsidized loans, interest is paid by the federal government during deferment.

Forbearance You may also be entitled to a forbearance on your loan to delay or reduce your loan payments for a short period of time if you are having financial difficulties. Other forbearances are offered at the lender's option. Interest continues to accrue during a forbearance and is fully paid by the borrower. Contact your lender for more information.

Cancellation If you don't need the entire loan you can return part or all of the funds. Contact your school or lender for more information about canceling or reducing the loan. Your student loan will be cancelled if you die; become permanently, totally disabled; your school closes before you complete your program; or the school falsely certifies your loan. A portion of your loan may be forgiven if you are a full-time teacher, or your school fails to make a refund to your lender. Certain military personnel may be entitled to repayment assistance from the Department of Defense. Contact your lender for more information.

Consequences of Default If you don't make your payments when they are due, your loan may be considered in default. There are serious consequences if you default on your student loan.

- You will lose federal and state income tax refunds.
- You will lose other federal or state payments.
- Legal action can be taken against you.
- Collection charges (including attorney fees) can be assessed to you.
- You may lose your professional license.
- The interest rate on your loan can increase.
- You will lose eligibility for other student aid and assistance under most federal benefit programs.
- You will lose eligibility for student loan deferments.
- Information about your loans will be reported to national credit bureaus and damage your credit rating.
- Your employer may be required to withhold part of your wages to pay for your student loan (wage garnishment).
- Federal debt collection procedures.

Extended Repayment for up to 25 years is available if you borrowed a student loan for the first time after October 7, 1998, and your student loan debt is over \$30,000.

Consolidation combines different types of student loans that may have different interest rates and lenders into a new loan. The repayment period is 10 to 30 years, depending on the total student loan debt.

If you have difficulty repaying your loan, contact your lender about:

- Changing your repayment plan to lower your monthly payment.
- Getting a deferment if you are in school, unemployed or experiencing financial hardship.
- Getting a forbearance to delay or reduce your loan payment.
- Consolidating your student loans.
- Discharging your loan if you become permanently, totally disabled or your school closes.

Student Loan Ombudsman If you are unable to resolve any difficulties you are having with your school, lender, servicer or guarantor about your student loan, contact:

U.S. Department of Education FSA Ombudsman
830 First Street, NE • 4th Floor • Washington DC 20202

Customer Service: 877-557-2575 **Fax:** 202-275-0549

Website: www.ombudsman.ed.gov

Information about your loans is available from the Department of Education's National Student Loan Data System (NSLDS) at www.nsls.ed.gov or by calling 1-800-4-FED-AID. All FFELP loan information is reported to NSLDS; this information can be accessed by authorized users at schools, lenders, and guaranty agencies.



NSLP Customer Service
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