

INSTRUCTIONS FOR COMPLETING STUDENT LOAN APPLICATION

Please Read Thoroughly

01/08

1. **ALL** Federal Direct Loan (FDL) applicants must have a **COMPLETED FAFSA on file** with Lehman College before applying for a student loan.
2. **FIRST TIME** Federal Direct Loan applicants at Lehman College **MUST** complete, with a **PASSING SCORE**, the online Entrance Counseling session at:

<http://www.dl.ed.gov>

You must **PRINT 2 copies** of the "*Borrowers Rights and Responsibilities*" page at the end of the session. You must submit one signed copy of this page to the Financial Aid Office with your application packet.

Repeat borrowers are strongly encouraged to complete the Entrance Counseling session as well.

3. You **MUST** indicate **how much** you wish to borrow. Counselors are not permitted to suggest how much you should borrow.
4. **Graduate students** applying for a loan must be **MATRICULATED** and **registered for a minimum of 6 Graduate credits**.
Undergraduate students applying for a loan must be **MATRICULATED** and **registered for a minimum of 6 Undergraduate credits**.
ALL Loan applicants must also have at least a **2.0 cumulative GPA** in order to apply for AND receive funds from a student loan at Lehman College (unless it is your first semester at the college).
5. If you will be attending classes during both the Summer and Fall semesters, you must register via E-SIMS for **BOTH** semesters before submitting your loan application.
6. If you plan to take loans for more than one semester during the academic year, you must submit the application for the whole academic year. The loan will then be disbursed once during each semester.

**** FUNDS FROM ADDITIONAL LOAN REQUESTS WILL BE DISBURSED MUCH LATER IN THE SEMESTER. ****

7. **YOU CANNOT RECEIVE A BOOK VOUCHER FROM A LOAN.** If you are taking out a loan to cover the cost of books and/or expenses, other than tuition and/or fees, be aware that **loan funds are disbursed several weeks into the semester**. **Summer loan funds are generally disbursed in early August.**
8. Your loan ***CANNOT be disbursed*** until you sign a Master Promissory Note (MPN). If you do not already have a Master Promissory Note on file, you must sign an electronic Master Promissory Note for your Federal Direct Loan(s), using your Federal PIN #, at <http://dlenote.ed.gov>. If you need a PIN #, you may request one at www.pin.ed.gov.

If you need additional application forms, you may download them at:

<http://www.lehman.cuny.edu/vpstud/finaid/printable.html>

LEHMAN COLLEGE OFFICE OF FINANCIAL AID

Federal Direct Loan Entrance Counseling

Name _____ S.S.# _____

Permanent Home Address _____

My Loan Service Provider is: FEDERAL DIRECT LOAN SERVICING CENTER
The Address is: P.O. BOX 4609, UTICA, NEW YORK 13504-4609
The Telephone Numbers are: 1-800-848-0979 BORROWER SERVICES
1-800-557-7392 CONSOLIDATION SERVICES

I UNDERSTAND THAT I HAVE THE RIGHT TO THE FOLLOWING (check off each box as you read):

- “ written information on my loan obligations and information on my rights and responsibilities as a borrower;
- “ a grace period and explanation of what this means;
- “ a disclosure statement, received before I begin to repay my loan, that includes information about interest rates, fees, the balance I owe, and the number of payments;
- “ deferment of repayment for certain defined periods, if I qualify and if I request it;
- “ forbearance, if I qualify and if I request it;
- “ prepayment of my loan in whole or in part any time without an early-repayment penalty;
- “ a copy of my promissory note either before or at the time my loan is disbursed;
- “ documentation that my loan(s) are paid in full.

I UNDERSTAND I AM RESPONSIBLE FOR THE FOLLOWING:

- “ attending exit counseling before I leave school or drop below half-time enrollment;
- “ repaying my loan 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 school and the Direct Loan Servicing Center if I
 - “ move/change my address
 - “ change my name
 - “ withdraw from school or drop below half-time enrollment
 - “ transfer to another school
 - “ fail to enroll or re-enroll in school for the period for which the loan was intended
 - “ change my expected date of graduation
 - “ graduate
- “ making monthly payments on my loan(s) after I leave school, unless I have deferment or a forbearance
- “ notifying the U.S. Department of Education's Direct Loan Servicing Center of anything that might alter my eligibility for an existing deferment.

I have received entrance counseling materials for Direct Subsidized loan and Direct Unsubsidized Loan borrowers. I have read and I understand my rights and responsibilities as a borrower. I also understand that, as a condition of this loan, I must attend classes and make satisfactory academic progress as defined by my school.

I understand that I am receiving a loan from the federal government which must be repaid.

Student's Signature _____ Date _____

I have counseled the above student on his/her responsibilities as a borrower under the Federal Direct Loan Program.

Counselor's Signature _____ Date _____

FEDERAL DIRECT LOAN

STUDENT ELIGIBILITY:

To qualify for a loan, a student must:

1. Be a citizen of the United States or a permanent resident alien.
2. Be enrolled in a program leading to a degree.
3. Have completed a Free Application for Federal Student Aid (FAFSA).
4. Be enrolled for and attending courses worth a minimum of six (6) credits/equated credits toward the degree during each semester of the loan period. If the loan funds arrive after completion of the semester, the student must have completed a minimum of six (6) credits/equated credits during each semester of the academic period certified.

LOAN DISBURSEMENT REQUIREMENTS:

1. Loan totals may not exceed the cost of education minus financial aid and/or Expected Family Contribution (EFC).
2. Loans will be disbursed in a minimum of two (2) payments during the loan period.
3. Students must be in attendance for a minimum of six (6) credits within their division of enrollment.

LOAN PROCEDURES:

1. Your loan application will be electronically transmitted by Lehman College.
2. a. If this is your first Federal Direct Loan taken after the 1999-2000 academic year, you must sign a master promissory note either electronically, using your federal PIN number, or on paper. If your electronic master promissory (EMPN) is not received within 2 weeks after your loan is originated, a paper promissory note will be mailed to you. You must then sign and return the paper promissory note in the envelope provided. **Be aware that the paper process takes longer than the electronic process.**
b. If you received a Federal Direct Loan after the 1999-2000 academic year, from a school utilizing the multi-year master promissory note, you will *not* need to sign a new promissory note.
3. The approval of your loan and the issuance of your check depends upon the Direct Loan Servicing Center receiving your signed master promissory note **in a timely manner**.
4. Loan checks will be mailed to you on the disbursement date, less any amount owed to the college. If you have Direct Deposit, funds will be available on the disbursement date scheduled by your school.

NON-PAYMENT PENALTIES:

If you fail to repay your student loan in a timely manner, you will be considered in default and the following may result:

- C it will be reported to a national Credit Bureau and have a negative effect on your credit rating;
- C the entire unpaid amount of your loan, including interest, may become due and payable immediately;
- C you will be ineligible to receive any additional federal or state financial aid funds, and/or be ineligible to complete a new registration or receive any services from the college;
- C your wages may be garnished.

ADDITIONAL INFORMATION:

1. Federal regulations require you to complete exit counseling upon leaving school in order to receive a copy of your statement of indebtedness and obtain information regarding your rights and responsibilities, deferment/forbearance requirements, payment plan alternatives, loan consolidation, and budgeting of future income to meet payment plans.
2. First time Stafford Loan borrowers after July 1, 1987 may apply for half-time educational deferment after the grace period of six (6) months ends. Half-time deferments will be granted if the student enrolls for at least six (6) credits. Payment for loans received prior to July 1987 can only be deferred if the student returns for full-time study.
3. Stafford Loan borrowers are able to cancel their loans up to 30 days after disbursement.

I UNDERSTAND THAT IT IS MY RESPONSIBILITY TO REPAY THIS LOAN EVEN IF I DO NOT COMPLETE MY EDUCATION OR CANNOT FIND EMPLOYMENT.

Student's Signature _____ Date _____

