

Please be certain to read and understand the following statements. Several factors could potentially affect your eligibility for Federal Direct Loans. It is crucial you understand these items to minimize the chance of delays in the awarding process.

APPLICATION AND ELIGIBILITY REQUIREMENTS

I must meet all federal student aid eligibility requirements to receive Federal Direct Loans.

I must complete the Entrance Loan Counseling if this is my first federal student loan. I must also complete and sign a Master Promissory Note (MPN) before I can receive loan funds. In most cases, once signed, the MPN is valid for a maximum of ten years. I must complete the Informed Borrowing Confirmation if I have borrowed student loans before.

I must be enrolled at least half-time (six or more credit hours) at the time the loan is disbursed to me. If I drop below half time or withdraw from all classes before my funds have been disbursed to me, I will likely not be qualified to receive any funds and the loan will be cancelled.

If I am currently in default on any federal educational loans or received an overpayment on any federal educational grants, I am ineligible for federal student aid. To regain eligibility, I need to contact the Department of Education.

If I make corrections on my FAFSA or if my status changes from that reported on my original application forms, I understand that my awards may be adjusted or canceled pending review.

This is a loan that must be repaid when I graduate, or if I withdraw and/or drop below six credit hours or fail to begin attendance at six or more credits. Failure to begin attendance in six credits may cause immediate repayment.

PRIORITY DEADLINE

In order to meet the Priority Deadline date, Edison State must receive my FAFSA and all necessary documents (including the loan request, loan counseling, and Master Promissory Note). If I was selected for verification, all necessary documents must also be submitted by these dates. The Priority Deadline dates are listed in the Financial Aid Handbook, which is available on the Financial Aid website.

By meeting the Priority Deadline date this ensures my financial aid will be in place before payment due date. If I miss the Priority Deadline date and my aid is not processed by the payment due date, I may still apply for aid. However, I am responsible for contacting the Cashier's Office to make payment arrangements to ensure I remain registered in classes.

LOAN TYPES

There are two types of Federal Stafford Student Loans.

The **Subsidized loan** is a need-based loan and the government will pay the interest while I am in school attending six or more credit hours, during my grace period, and during any periods of deferment.

The **Unsubsidized loan** is not need-based. I am responsible for all interest but may choose to postpone payment of interest while attending six or more credit hours, during my grace period, and during any periods of deferment.

If I am a dependent student and the annual limits do not meet my educational costs, I understand that my parents may be eligible to apply for a Parent PLUS Loan by completing a PLUS Application, PLUS Request Form, a Master Promissory Note, and PLUS Counseling (if applicable) obtaining a preapproval (including a credit check) from the Department of Education.

If the PLUS Loan preapproval is denied, I may request the additional Unsubsidized Stafford Loan. Requests for additional loan amounts must be made in writing and proof of PLUS denial must be provided to the Office of Student Financial Aid.

LOAN AMOUNTS/LOAN ELIGIBILITY

I will need to estimate the cost for tuition, lab fees, books, and supplies to determine how much I will need to borrow for the terms for which I wish to borrow. I can estimate my education cost in the following manner:

Tuition can be estimated by multiplying the number of anticipated credit hours by the current per credit hour charge <http://www.edisonohio.edu/How-Much-Does-It-Cost/>;

Other course fees can be found in the online catalog <https://catalog.edisonohio.edu/content.php?catoid=28&navoid=5036>

Book and supply costs can be found in the bookstore and at the bookstore link:

<http://www.bkstr.com/webapp/wcs/stores/servlet/StoreCatalogDisplay?catalogId=10001&langId=-1&demoKey=d&storeId=129904>

Edison State Community College determines the amount of my loan based on a review of my educational costs, family contribution (as determined by the FAFSA), and other financial aid received or expected, such as third party contributions (including scholarships, employer reimbursement, etc.), tuition waivers, work-study, alternative education loans, state vocational rehabilitation, or veterans benefits.

Federal annual loan limits are based in part on grade level and dependency status. Loan limits are subject to change per federal regulations. (*Grade Level 1 = successful completion of less than 30 college-level credit hours & Grade Level 2 = successful completion of 30 or more college-level credit hours*) The current federal annual loan limits are as follows:

Grade Level 1—Independent Student \$3,500 Base Subsidized Loan \$6,000 Additional Unsubsidized	Grade Level 2—Independent Student \$4,500 Base Subsidized Loan \$6,000 Additional Unsubsidized
Grade Level 1—Dependent Student \$3,500 Base Subsidized Loan \$2,000 Additional Unsubsidized Parent Loan (PLUS)	Grade Level 2—Dependent Student \$4,500 Base Subsidized Loan \$2,000 Additional Unsubsidized Parent Loan (PLUS)

I understand there are many variables in determining eligible loan amounts (i.e. cost of attendance, EFC, other aid received, length of loan period, length of time left in academic program, 150% Subsidized Loan limitation, etc.) The Office of Student Financial Aid will determine the actual amount of my loan based on my eligibility.

I understand my student loan funds must be divided equally among the terms for which I choose to borrow.

EXAMPLE					
Amount Requested		\$6000	Amount Requested		\$6000
Terms Selected	Fall/Spring		Terms Selected	Summer/Fall/Spring	
Amount Awarded	Fall	\$3000	Amount Awarded	Summer	\$2000
	Spring	<u>\$3000</u>		Fall	<u>\$2000</u>
				Spring	<u>\$2000</u>
Loan Total		\$6000	Loan Total		\$6000

I understand my student loan funds must be multiply disbursed if I borrow a one-term loan. The second disbursement must fall after the middle of the loan period (semester). And I understand that if I am a first-year, first-time borrower, my first disbursement will not be released until after 30 days into the semester.

The Department of Education limits the total annual amount a student may borrow each aid year. If I borrow the annual loan limit at any time during this period, I will not be eligible to borrow again for the remainder of the aid year. The financial aid year applies to the Summer, Fall, and Spring semesters. The new aid year begins each Summer. Loans may be subject to origination fees. I am aware that origination fees reduce the net amount of the loan that I will receive.

TRANSFER STUDENTS

If I transferred to Edison State from another institution, any loan borrowed while attending that institution during the same aid year may reduce the federal annual loan limit available during my attendance at Edison State. Loans do not transfer from one institution to another. I must, upon transfer, request Edison State to process a student loan. Any pending disbursements at another institution must be cancelled before eligibility at Edison State will be determined. I understand it is my responsibility to contact the other institution.

OPTIONS FOR CHANGES OR CANCELLATIONS

I can decrease my loan amount or loan period prior to disbursement of the loan by contacting the Office of Student Financial Aid in writing (via Edison State email or submission of a Request for Change in Aid form). I have the right to cancel all or part of my Federal Direct Loan prior to receiving loan funds. I understand I will receive a 14-day opportunity-to-cancel notice prior to disbursement. I further understand any requests for changes to my loan amount must occur within those 14 days. To increase my loan, I must submit a new Loan Request Form.

DISBURSEMENT

To be eligible to receive a loan disbursement, I must be officially enrolled in a degree-seeking program or eligible one-year certificate and be attending at least six credit hours. Loan eligibility will be reviewed prior to loan disbursement. Loan refunds will be made to me only after all charges on my account have been satisfied. My loan refund will be mailed within 14 calendar days after my loan has been posted to my student account.

EXIT LOAN COUNSELING

I must complete the Loan Exit Counseling online when I withdraw, drop below six credit hours, or graduate from Edison State Community College. Exit Counseling can be completed at www.studentaid.gov.

MONITORING YOUR LOAN BALANCE

I understand it is recommended to monitor my student loan balance on the U.S. Department of Education's National Student Loan Data System web site. The National Student Loan Data System (NSLDS) is the U.S. Department of Education's central database for student aid. It receives data from schools, agencies that guaranty loans, the Direct Loan program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and grants that are tracked through their entire cycle; from aid approval through closure. I can use the web site to make inquiries about my Title IV loans and/or grants. The site displays information on loan and/or grant amounts, outstanding balances, loan statuses, and disbursements.

I understand I need to keep copies of information pertaining to my Federal Direct Loans and may visit www.nsls.ed.gov to view all my Federal Student Aid awarding information.

AGGREGATE (LIFETIME) BORROWING LIMITS

I understand that there is a limit to the total amount of loan money I can borrow in my lifetime. These are the aggregate loan limits. These limits are as follows:

Student Type	Subsidized Maximum	Combined Subsidized & Unsubsidized Maximum
Dependent Undergraduates	\$23,000	\$31,000
Independent Undergraduates	\$23,000	\$57,500

Additionally, if you are a first-time borrower on or after July 1, 2013, there is a limit on the maximum period of time you can receive subsidized loans. To learn more about this please see ***Is there a time limit on how long I can receive loans?*** at <https://studentaid.ed.gov/sa/types/loans/subsidized-unsubsidized>.