



William D. Ford Federal Direct Loan Program STUDENT LOAN PACKET



These steps must be completed for your Student Loan to be disbursed. Please complete Steps 1-6 before you return your loan packet.

STEP 1: FAFSA Federal regulations require that a student complete the Free Application for Federal Student Aid (FAFSA) in order to apply for Federal Direct Loans. You may complete the FAFSA at www.fafsa.ed.gov with your Federal PIN. If you do not have a PIN, you may request it at www.pin.ed.gov.

STEP 2: Attend a Session and Pick Up a Loan Packet The MTCC Financial Aid office provides regularly scheduled informational sessions to answer your questions about Federal Direct Student Loans.

STEP 3: Entrance Counseling Students are required by law to complete Entrance Counseling, which helps them understand their responsibilities regarding their Federal Direct Student Loan. Entrance Counseling may be completed online at www.StudentLoans.gov. When you have completed Entrance Counseling, bring a copy of the **Entrance Counseling confirmation page** to the Financial Aid Office.

STEP 4: Financial Literacy Counseling Complete the Financial Literacy 101 Course offered by the College Foundation of North Carolina. Go to http://www.cfnc.org/paying/financial_literacy.jsp and click on **Financial Literacy 101**. After you have completed the course, print a copy of the **Financial Literacy confirmation page** and bring it to the Financial Aid Office.

STEP 5: Master Promissory Note (MPN) Federal regulations require that first-time borrowers sign a Master Promissory Note (MPN). You can complete the MPN online at StudentLoans.gov or come to the Financial Aid Office for assistance. For those who do the MPN online, you must bring a copy of the **1st page (signature page) of the MPN** to the Financial Aid Office.

STEP 6: Student Loan Packet In order for your loan to be processed, you must completely fill out the [Student Loan Packet](#). Leaving questions unanswered will delay the processing of your Student Loan.

STEP 7: Enroll for Classes You must be enrolled at least 6 credit hours (half-time) in order to receive a student loan.

STEP 8: Exit Counseling Exit counseling is required before you withdraw, graduate, or drop below half-time attendance (even if you plan to transfer to another school). To complete Exit Counseling online, go to www.nsls.ed.gov. Once you sign on, you will be able to print out a record of your federal student loan and your estimated monthly payments.

- Is my 2011-2012 Free Application for Federal Student Aid complete?**
- Have I attended one of the Student Loan Sessions at the college?**
- Have I printed my confirmation for Entrance Counseling?**
- Have I printed my confirmation for the Financial Literacy 101 course?**
- Have I printed a copy of the 1st (signature) page of the Master Promissory Note?**
- Is my Student Loan Packet filled out completely?**
- Have I met with my advisor and registered for classes?**
- Will I notify the Financial Aid Office if I withdraw, drop below half-time attendance, or apply for graduation? Do I agree to complete the Exit Counseling as directed?**



MCDOWELL TECHNICAL COMMUNITY COLLEGE

Federal Direct Stafford Loan Application

STUDENT INFORMATION

Last Name _____ First Name _____ Middle Name _____

Social Security # _____ Date of Birth _____

Student ID # _____ Driver's License # _____

Phone Number(s) _____

Email Address _____

Program of Study/Major _____

Expected Graduation Date _____

Current Address

Street _____ Apt. Number _____

City _____ State _____ Zip Code _____

Permanent Address

Street _____ Apt. Number _____

Student's Employer

Company _____ Phone Number _____

Street _____

City _____ State _____ Zip Code _____

MOTHER OR GUARDIAN (If Dependent; Next of Kin if Independent or no Parental Info.)

Name _____ Phone Number _____

Street _____ City _____ State _____ Zip Code _____

Mother's Employer

Company _____ Phone Number _____

Street _____ City _____ State _____ Zip Code _____

FATHER OR GUARDIAN (If Dependent; Next of Kin if Independent or no Parental Info.)

Name _____ Phone Number _____

Street _____ City _____ State _____ Zip Code _____

Father's Employer

Company _____ Phone Number _____

Street _____ City _____ State _____ Zip Code _____

OTHER FRIEND OR RELATIVE WHO WILL KNOW HOW TO REACH YOU

Name _____ Phone Number _____

Street _____ City _____ State _____ Zip Code _____

LOAN PLANNING STEP 1: List the Sources of your Funds.

Income from Work Received: \$ _____ per month x 9 months = \$ _____

Unearned Income Received: \$ _____ per month x 9 months = \$ _____
(Unemployment, TANF, Disability, Social Security, SSI, Child Support, Alimony)

Contributions from Friends/Family: \$ _____ per month x 9 months = \$ _____

Grants & Scholarships: \$ _____ per semester x 2 semesters = \$ _____

Third Party Payments: \$ _____ per semester x 2 semesters = \$ _____
(TRA/TAA, WIA, EBCL, Veterans, etc.)

Third Party Other Benefits: \$ _____ per month x 9 months = \$ _____
(Food Stamps, Child Care Assistance, Housing Assistance, etc.)

TOTAL SOURCES OF FUNDS: \$ _____

LOAN PLANNING STEP 2: Itemize your Expenses.

Tuition and Fees: \$ _____ per semester x 2 semesters = \$ _____

Books: \$ _____ per semester x 2 semesters = \$ _____

Rent / Mortgage: \$ _____ per month x 9 months = \$ _____

Utilities: \$ _____ per month x 9 months = \$ _____

Food: \$ _____ per month x 9 months = \$ _____

Personal Expenses: \$ _____ per month x 9 months = \$ _____

Transportation: \$ _____ per month x 9 months = \$ _____

Car Payments: \$ _____ per month x 9 months = \$ _____

Credit Card Payments: \$ _____ per month x 9 months = \$ _____

Child Care: \$ _____ per month x 9 months = \$ _____

Child Support Paid: \$ _____ per month x 9 months = \$ _____

Other Debts: \$ _____ per month x 9 months = \$ _____

TOTAL EXPENSES: \$ _____

LOAN PLANNING STEP 3: Balance Your Budget.

TOTAL SOURCES OF FUNDS \$ _____

MINUS TOTAL EXPENSES \$ _____

EQUALS* \$ _____

* If your estimates are accurate, you should be able to use this amount as a basis for determining how much you need to borrow. Please provide an explanation if you are requesting more than Step 3 indicates you need.

LOAN PLANNING STEP 4: Estimate Your Ability to Repay.

Balance Due on Other Student Loans: \$ _____

Current Loan Amount Requested: \$ _____

Future Loans Needed to Fund Education: \$ _____

TOTAL PROJECTED LOAN BALANCE: \$ _____

MONTHLY PAYMENT ON TOTAL PROJECTED STUDENT LOAN BALANCE: \$ _____

(Go to www.StudentLoans.gov, choose Managing Repayment, Repayment Plans & Calculators to calculate your monthly payment.)

ESTIMATED MONTHLY SALARY AFTER COLLEGE: \$ _____

(Go to www.CFNC.org, At the top, click on "Plan," "For a Career." Then click on "Explore Careers," and choose the Career you are interested in. "Money and Outlook" will give you information on Estimated Salaries.)

WHAT PERCENTAGE OF ESTIMATED MONTHLY SALARY WILL YOUR STUDENT LOAN PAYMENT BE? _____ %

(Monthly Payment divided by Monthly Salary should not exceed 8%.)

LOAN PLANNING STEP 5: Based on the Results from Loan Planning Steps 1-4 above, indicate the Loan Amount you would like to request for the 2011-2012 Academic Year: \$_____

You must check one of the boxes below:

- I only wish to borrow a Subsidized Loan (which is based on Financial need and does not accrue interest until the 6 month Grace Period ends).
- I also would like to be considered for Unsubsidized Loans (which accrue interest all the time, even while I am attending school).

Which Semesters would you would like to receive the loan? All loans will be divided into two (2) equal disbursements.
NOTE: If you check more than one Semester, the total amount of your loan will be divided equally between Semesters:

- FALL 2011, SPRING 2012 and SUMMER 2012 FALL 2011 and SPRING 2012 SPRING 2012 and SUMMER 2012
- FALL 2011 ONLY SPRING 2012 ONLY SUMMER 2012 ONLY

MAXIMUM LOAN AMOUNTS:

STUDENT STATUS	DEPENDENT STUDENT	INDEPENDENT STUDENT	INTEREST RATES: JULY 1, 2011 - JUNE 30, 2012
First Year (Freshman)	\$3500 SUBSIDIZED + \$2000 UNSUBSIDIZED	\$3500 SUBSIDIZED + \$6000 UNSUBSIDIZED	3.4% SUBSIDIZED 6.8% UNSUBSIDIZED
Second Year (Sophomore)	\$4500 SUBSIDIZED + \$2000 UNSUBSIDIZED	\$4500 SUBSIDIZED + \$6000 UNSUBSIDIZED	3.4% SUBSIDIZED 6.8% UNSUBSIDIZED

APPLICATION SIGNATURE:

By signing and dating below, I give the MTCC Financial Aid Office permission to begin processing a student loan in my name for the amount requested above. I understand that this is a student loan from the Federal Government which **MUST BE REPAYED**, regardless of the outcome of my education.

Student's Signature

Date

BORROWER'S RIGHTS AND RESPONSIBILITIES:

I UNDERSTAND I HAVE THE RIGHT TO:

- Written information on my loan obligations and information on my rights and responsibilities as a borrower
- A copy of my Master Promissory Note either before or at the time my loan is disbursed
- A grace period (if the loan is Subsidized) and an explanation of what this means
- Notification, if I am in my grace period or repayment, no later than 45 days after a lender assigns, sells or transfers my loan to another lender
- A disclosure statement, received before I begin to repay my loan, that includes information about interest rates, fees, the balance I owe, and a loan repayment schedule
- Deferment or forbearance of repayment for certain defined periods, if I qualify and if I request it
- Prepayment of my loan in whole or in part anytime without an early-repayment penalty
- Documentation that my loan is paid in full

I UNDERSTAND I AM RESPONSIBLE FOR:

- Completing Exit Counseling before I leave school or drop below half-time enrollment
- Repaying my loan according to my repayment schedule even if I do not complete my academic program, am dissatisfied with the education I received, or am unable to find employment after I graduate
- Notifying my financial aid department and loan servicer if I:
 - Move or change my address;
 - Change my telephone number;
 - Change my name;
 - Change my Social Security number;
 - Change employers, or if my employer's address and telephone number changes;
 - Withdraw from school or drop below half-time enrollment;
 - Transfer to another school;
 - Fail to enroll or reenroll in school for the period for which the loan was intended;
 - Change my expected graduation date; or
 - Graduate.
- Making monthly payments on my loan after my grace period ends, unless I have a deferment or forbearance
- Notifying my lender or loan servicer of anything that might alter my eligibility for an existing deferment or forbearance

I have received Entrance and Exit Counseling materials for Direct Subsidized and Direct Unsubsidized Loan borrowers.

I have read and understand my rights and responsibilities as a borrower.

*I understand that I have a loan from the Federal Government that **MUST BE REPAID.***

Student's Signature

Date

Student's Name (Please Print)

