

# 2016-2017 LOAN REQUEST FORM

## Instructions:

- a. **Complete this form and return it to the Financial Aid Office at the following address:**  
Murray State College, Attn: Financial Aid Office, One Murray Campus, Tishomingo, OK 73460
- b. **Please indicate the entire amount you wish to borrow on the Loan Request Form. The federal government will not permit us to originate student loans after the end of the loan period. Therefore, your financial aid file must be complete and accurate, you must have completed entrance counseling and the Direct Loan Master Promissory Note (both may be completed at <https://studentloans.gov>), and you must have submitted these in a timely manner to allow our office enough time to originate your loan before the loan period ends.**
- c. **You must confirm acceptance of the student loans.** The Federal Government pays the interest on the Federal Direct Subsidized Stafford Loan while you are in school. You are responsible for the interest payments on the Federal Direct Unsubsidized Stafford Loan—you may defer the principal and interest payments until you cease attending school half-time but the interest will be capitalized. **Capitalizing the interest allows you to put off paying the interest but this gets added to your loan balance so you owe more money to your lender.**
- d. **You must be enrolled in and attending at least 6 credit hours before the loan may be processed. You must remain enrolled in at least 6 credit hours for all loan disbursements.**

Once you have completed the entrance counseling and master promissory note, enrolled, and submitted this completed form to the Financial Aid Office, your loan will be processed electronically. **No loans may be processed after the end of the loan period.** The loan will be sent to Murray State College according to the Notice of Loan Guarantee. Disbursements will be available to students on the next disbursement date after loan funds are received by MSC (refer to the financial aid webpage for the schedule of disbursement dates). **Any time prior to 14 days after your loan disbursement, you may request in writing that we cancel the loan.** The average indebtedness of MSC student loan borrowers is \$17,340.00.

**STUDENT MUST COMPLETE:** Please carefully read all instructions. Loans for one semester will have two disbursements with the second one taking place after the midpoint of the semester.

Check one:  Fall/Spring 2016-17       Fall 2016 Only       Spring 2017 Only       Summer 2017

1. You must indicate your outstanding principle loan balance here: \$ \_\_\_\_\_

To obtain your outstanding principle balance, go to [www.nsls.ed.gov](http://www.nsls.ed.gov), Financial Aid Review, Accept, Accept, Enter your SSN, first 2 letters of your last name, Date of Birth, PIN, and submit. This takes you straight to Financial Aid Review and loans. The outstanding principle balance is the total of all loans. Please contact the Financial Aid Office if you need assistance to obtain this balance.

2. If you want to decline the Federal Work-study award and add this amount to your loan eligibility, check here \_\_\_\_\_.

Indicate the total amount you wish to borrow by **selecting only one** of the following:

- a. \_\_\_\_\_ I wish to accept only the Direct Federal Subsidized Stafford loan in this amount \$ \_\_\_\_\_  
b. \_\_\_\_\_ I wish to accept the Direct Federal Subsidized and Direct Unsubsidized loans in this amount \$ \_\_\_\_\_

3. I certify that I \_\_\_\_\_ will \_\_\_\_\_ will not be receiving aid other than that on my award notice. If you will be receiving other types of aid not listed on your award notice, you must indicate what type here \_\_\_\_\_

**I certify that I have read and understand the rights and responsibilities on the back side of this form.**

\_\_\_\_\_  
Student Signature                      Print Name                      SSN                      Student ID                      Date

**FAO OFFICE USE ONLY** Entrance Counseling Completed \_\_\_\_\_ Hours enrolled \_\_\_\_\_  
MPN Completed \_\_\_\_\_ Date \_\_\_\_\_

## STATEMENT OF BORROWER'S RIGHTS AND RESPONSIBILITIES

Your student loan is a serious, legally binding contract between you and the holder of your loan. It is important for you to understand your rights and responsibilities, and the consequences if you become delinquent or default on your loan. A student loan must be repaid with interest according to the terms of the promissory note. You should prepare a budget and borrow the minimum amount you need to meet your educational expenses. You must complete the entrance counseling and a Master Promissory Note before a student loan will be processed.

### Your Rights

1. The Department of Education must give you written information on loan obligations, and information on borrower rights and responsibilities, including your options for loan consolidation and refinancing.
2. The Department of Education must give you a copy of your promissory note when your loan is made and provide you with proof of cancellation when your loan is paid in full.
3. Before you begin to repay your loan, the Department of Education must give you a repayment schedule and detailed information about interest rates, fees, the balance you owe, and repayment options available to you.
4. The Department of Education must notify you if your loan is sold or transferred to a loan servicer.
5. You have a right to federal interest benefits, if you qualify.
6. You have a right to a grace period, if applicable, and an explanation of what that means.
7. You have a right to defer repayment for certain defined periods after the grace period, if you qualify.
8. You have a right to request forbearance (temporary postponement of payment).
9. You may prepay your loan in whole or in part at any time without penalty.

### Your Responsibilities

1. You must attend exit counseling before you leave school.
2. You must repay your loan even if you do not complete your program, are unable to find employment after graduation, or are dissatisfied with the education you received.
3. You must notify the servicer of your loan if, before you repay your loan, you:
  - a. Move
  - b. Graduate, withdraw from school, or drop below half-time (6 credit hours) status
  - c. Transfer to another school
  - d. Fail to enroll in school for the period for which the loan was intended
  - e. Change your name
4. You must repay at least \$600 a year (\$50.00 a month), unless you have a deferment or your servicer agrees to a lesser amount. The minimum payment will be based on the total amount of your loans. The sample payment table below is based on a ten year repayment schedule:

Monthly Payment Table (Sample)

<u>Total Balance</u>	<u>7%</u>	<u>8%</u>	<u>9%</u>	<u>10%</u>	<u>11%</u>	<u>12%</u>	<u>13%</u>	<u>14%</u>
\$ 2,000	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
\$ 5,000	58.06	60.67	63.34	66.08	68.88	71.74	74.66	77.64
\$10,000	116.11	121.33	126.68	132.16	137.76	143.48	149.32	155.27
\$25,000	290.28	303.32	316.69	330.38	344.38	358.68	373.28	388.17

5. You must notify your servicer of anything that might alter your eligibility for an existing deferment.
6. You must meet Satisfactory Academic Progress Requirements.
7. You must use your student loan only for expenses related to your education.
8. You must read and save all loan documents.

### Consequences of Default

1. If you fail to make timely payments on your loan, your delinquency and/or default will be reported to a credit bureau. This will seriously affect your credit rating and your ability to borrow from any source in the future.
2. The entire unpaid amount of your loan, as well as accrued interest, may become immediately due and payable.
3. Holds may be placed on your college records.
4. You may become ineligible to receive any additional federal student financial aid.
5. Your federal and state income tax refunds may be taken.
6. Your wages may be garnished.
7. Your professional licenses may be taken.
8. You may be charged reasonable attorney's fees and other costs of collecting your debt.