

Borrow Smart Loan Packet

Name: _____ PSC ID#: _____

Date: _____

The purpose of the Borrow Smart Loan Packet is to equip our students with the understanding and responsibilities of requesting Direct Student Loans for educational purposes. We believe that when students are aware of their loan limits and amount borrowed, they will be more successful managing their financial debt. Included in this packet are requirements and resources that will guide you in learning to "Borrow Smart".

Please complete the following and submit the entire packet to the Financial Aid Office.

- Complete the 2022/23 FAFSA
- Submit all required documents to the PSC Financial Aid office in order to complete your FAFSA file
- Be enrolled in 6 or more credit hours
- Print and submit your student loan summary from studentaid.gov
- Complete the Loan Request Form (page 4)
- Submit this entire packet to the Financial Aid office

Obtain Your Student Loan History:

1. Log on to studentaid.gov.
2. On the homepage, click the downward arrow next to your name.
3. Select My Aid from the drop down box.
4. Click on the loan tab (should automatically default to it).
5. **Print and sign the page and submit along with the Borrow Smart Loan packet.**
6. **Based on your current borrowing, circle your estimated total amount to be repaid on the chart below.**

The following sample repayment chart can be used to estimate your loan repayment under the standard repayment plan. It is for estimating purposes only.

STUDENT LOAN REPAYMENT CHART

AMOUNT BORROWED	MONTHLY PAYMENT	# OF MONTHS IN REPAYMENT	TOTAL INTEREST	TOTAL REPAID
\$500	\$50	11	\$16	\$516
\$1,000	\$50	22	\$64	\$1,064
\$3,500	\$50	90	\$971	\$4,471
\$4,500	\$52	120	\$1,714	\$6,214
\$8,000	\$92	120	\$3,048	\$11,048
\$10,000	\$115	120	\$3,810	\$13,810
\$12,000	\$138	120	\$4,572	\$16,572
\$15,000	\$173	120	\$5,714	\$20,714
\$20,000	\$230	120	\$7,619	\$27,619
\$23,000	\$265	120	\$8,762	\$31,762
\$31,000	\$357	120	\$11,810	\$42,810
\$40,000	\$460	120	\$15,239	\$55,239
\$46,000	\$529	120	\$17,524	\$63,524
\$50,000	\$575	120	\$19,048	\$69,048
\$57,500	\$662	120	\$21,905	\$79,405

Figures have been rounded to the nearest whole dollar and represent minimum payments at 6.8% over a minimum of 10 years, and do not include interest that may accumulate during periods of deferment or forbearance. Lower balances may take less than 10 years to repay at the minimum payment of \$50. This chart is for estimating purposes only. Use the Department of Education's online calculator (<http://www.direct.ed.gov/calc.html>) to get a more accurate picture of your monthly payment and the total amount you will pay back based on your specific loan's balance, terms, and the repayment plan you choose.

I WILL NOT DEFAULT ON MY STUDENT LOANS.

2022/23 Borrow Smart Summary

1. It is YOUR responsibility to officially withdraw from your course(s). It is NOT the school's responsibility to drop you from your courses. If you withdraw after the refund date, you may be responsible for payment of those course(s).
2. If you drop below 6 credits or if you are reported as NOT attending any of your course(s), your loan(s) will either be removed or recalculated. You may be responsible for payment of your course(s).
3. Remember to BORROW SMART. Student loans are borrowed money that must be repaid. Additional loan requests will require a new loan request form.
4. The requested loan amount will be disbursed between the subsidized and unsubsidized loans, based on your eligibility for both or one.

CONSEQUENCES OF DEFAULTING ON A STUDENT LOAN

If you don't pay your loans for 270 consecutive days, you will be considered in default. Below are some of the consequences of defaulting on your loans.

- You will be ineligible for additional financial aid, which includes grants, student loans, federal work study, and state based assistance.
- You will be ineligible for other student loan benefits such as deferment or forbearance.
- You will damage your credit rating, making it more difficult to obtain a car loan, mortgage and possibly employment.
- Your federal and state tax refunds may be withheld and applied to your loan balance.
- Your wages can be garnished.
- Your occupational license or certificate may be revoked.

All Direct Stafford and Parent Plus loans will be submitted to the National Student Loan Database System (NSLDS) and is accessible by authorized agencies, lenders and institutions.

Please sign indicating that you've read, understood and agree to all terms and conditions listed in this packet.

Student Signature: _____ Date: _____

2022/23 Student Loan Request Form for Continuing Borrowers

Year	Dependent Students (except students whose parents are unable to obtain PLUS loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS loans)
First Year (0-30 credit hours attempted)	\$5,500-No more than \$3,500 of this amount may be in subsidized loans.	\$9,500-No more than \$3,500 of this amount may be in subsidized loans.
Second Year (31 and above attempted credit hours)	\$6,500-No more than \$4,500 of this amount may be in subsidized loans.	\$10,500-No more than \$4,500 of this amount may be in subsidized loans.
Lifetime	\$31,000 no more than \$23,000 in subsidized loans.	\$57,500, no more than \$23,000 in subsidized loans.

Name: _____ PSC ID#: _____

Preferred Email Address: _____ Phone: _____

For which semester(s) are you requesting the loan funds? (Check one)

Full Year (Fall/Spring) Fall Only Spring Only Summer Only

Loan amount requested: \$ _____ (Requires a dollar amount)

Initial each statement to acknowledge that you have read and understand each item.

_____ If I'm experiencing financial hardship, I will contact my loan servicer to explore my repayment options.

_____ Student loans are borrowed money that must be repaid and used for educational purposes only.

_____ I must have an eligible major and be enrolled in a minimum of 6 credit hours that apply towards my major.

_____ Student loans cannot cover non-credit courses.

_____ I understand that I must maintain SAP (Satisfactory Academic Progress). If my SAP status changes to WARNING or TERMINATION, I must meet with the loan officer prior to my next disbursement.

_____ Prior to withdrawing from any or all courses, I must notify the Financial Aid office.

_____ I realize that officially or unofficially withdrawing or NOT attending my classes may affect my eligibility for student loans and as a result I would be responsible for any outstanding balance that is owed to PSC.

_____ Maximum loan eligibility is based on enrollment status, student budget, EFC and annual loan limits.

_____ If I borrow a fall/spring loan, I will receive two disbursements: one during fall and the other in the spring semester.

_____ All communication regarding loans will be sent to my PSC email address.

_____ You have the right and option to cancel all or part of the loan disbursement within 14 days of the disbursement date. To do so, contact the Financial Aid office.

Signature: _____ Date: _____

NOTE: PSC has the right, on a case by case basis, to refuse to certify/originate a student loan.

Counselor's signature: _____ Date: _____

I WILL NOT DEFAULT ON MY STUDENT LOANS.