

**FEDERAL DIRECT LOAN APPLICATION 3
2023-2024**



Borrower's Full Name: _____

Student ID: _____ Date of Birth: _____ Phone Number: _____

Anticipated Date of Graduation (month and year): _____

1. **Check** the semester(s) in which you are requesting the loan: ****You must be enrolled in at least 6 credit hours to receive this loan****

_____ **Fall 2023** _____ **Spring 2024** _____ **Summer 2024**

2. How many credit hours will you be taking for the following semesters? Enrollment levels will affect your cost of attendance. Please fill in the appropriate circle for **ALL** terms.

Fall 23	<input type="radio"/> Not Attending	<input type="radio"/> 1-5 hours	<input type="radio"/> 6-8 hours	<input type="radio"/> 9-11 hours	<input type="radio"/> 12 or more hours
Spring 24	<input type="radio"/> Not Attending	<input type="radio"/> 1-5 hours	<input type="radio"/> 6-8 hours	<input type="radio"/> 9-11 hours	<input type="radio"/> 12 or more hours
Summer 24	<input type="radio"/> Not Attending	<input type="radio"/> 1-5 hours	<input type="radio"/> 6-8 hours	<input type="radio"/> 9-11 hours	<input type="radio"/> 12 or more hours

The total amount of financial aid you receive cannot exceed the cost of attendance. This means that your loan may be adjusted based on your enrollment level. Students should refer to their Self Service account and look under the financial aid tab to see their specific cost of attendance. This Cost of Attendance will fluctuate if you change enrollment levels before/during the term.

3. **Total loan amount requested:** \$_____ (Do not leave blank- must be a whole dollar amount. **Please note: The total amount will be divided equally between all semesters checked above in Item #1.**)

The subsidized and unsubsidized Federal Direct Loans have a **1.057% origination fee, which is deducted from the gross amount of the loan**

A Direct Loan will be processed as either **SUBSIDIZED** or **UNSUBSIDIZED** depending upon your eligibility. Subsidized loan funds are awarded first. If you are not eligible for subsidized funds and are still in need of Direct Loan funding, are you willing to accept any or your entire loan in unsubsidized funds?

Please check either the YES or NO statement below.

_____ **Yes**, I am willing to accept Unsubsidized funds and understand that I am responsible for all interest accrued on these funds while I am in school.

_____ **No**, I am not willing to accept Unsubsidized funds and understand that this decision may leave me with a balance due on my student account that is my financial responsibility.

Please note that the Federal Stafford Loan funds are not guaranteed. Loan eligibility is determined by enrollment level, cost of attendance, and other resources available

4. Complete the following on www.studentaid.gov

- ☐ **Master Promissory Note (MPN) for Undergraduates** - The MPN is a contract that you electronically sign to indicate that you are promising to pay the loan back. To complete this requirement, hover over the "Loans and Grants," tab and select, "Master Promissory Note (MPN)," on the drop-down menu.
- ☐ **Loan Entrance Counseling** - First time borrowers must complete Entrance Counseling. To complete this requirement, hover over the "Loans and Grants," tab and select, "Loan Entrance Counseling," on the drop-down menu.
- ☐ **OPTIONAL: Annual Student Loan Acknowledgment (ASLA)** - The ASLA is a tool designed to help borrowers understand how their loans will affect their financial future. To complete this requirement, hover over the "Loans and Grants," tab and select, "Annual Student Loan Acknowledgment," on the drop-down menu.

Please note that these requirements must be met before EGCC will disburse your student loan

5. Have you received a Federal Direct Loan at any other institution in the 2023-2024 academic year? (CIRCLE): Yes* No Uncertain

*If yes, Name of College and when? _____

Please read the following loan information and CHECK each statement AFTER you fully understand the information given.

_____ I understand that I am applying for a loan that I must repay.

_____ I understand that the total amount of financial aid (including loans) that I receive cannot exceed the Cost of Attendance (COA) as established by Eastern Gateway Community College. The COA to attend EGCC for an academic year is based on your dependency and enrollment status. The COA for students attending at least half time includes academic expenses such as tuition, fees, books, supplies, transportation, food, housing, and miscellaneous expenses.

_____ I understand that I must remain enrolled in and attend at least 6 credit hours each semester at the time of disbursement in order to receive loan funds.

_____ I understand that, if my Direct Loan is a, "one term only," loan, it will be split into two disbursements over the course of the semester, as required by federal regulations. Disbursement dates for each semester are listed in the College Catalog.

_____ I understand that I must complete all forms and return them to the Financial Aid Office. The loan proceeds may only be used for authorized expenses including tuition, fees, books, supplies, equipment, dependent child care, food, housing, and transportation and commuting expenses.

_____ I understand that all loan request forms are reviewed by the financial aid loan officer. EGCC can refuse to originate my loan request, or can modify the loan amount if the school documents the reason for its action and explains the reason to the borrower. Loan amounts must be prorated if I am enrolled in a program containing fewer credit hours than the statutory minimum academic year, or if I am in a program that is longer than an academic year, but my final period of study is shorter than an academic year. Loan amounts must be prorated if I am enrolled in less than a full term.

_____ I understand that if my Direct Loan Request is denied for any reason, the loan denial is effective for the entire academic year.

_____ I understand that I have the right to cancel all or a portion of my loan. All cancellation notices must be in writing and submitted to the Financial Aid Office before the loans are disbursed.

_____ I understand that I am required to complete Exit Counseling at www.studentaid.gov within 30 days from the time I drop below half time (6 credits), cease enrollment, or graduate.

_____ I understand that The Department of Education provides a website for a student and parent borrowers to track and manage their federal student loans and/or grants. It is available 24 hours a day, 7 days a week. The website is www.studentaid.gov. I will need my FSA ID and password to access this information.

Student Certification:

*I hereby certify that I have read and understand the eligibility requirements and application procedures stated above. I plan to use the loan proceeds to pay for allowable educational expenses as defined by the Department of Education. I understand my rights and responsibilities as a Federal Direct Stafford Loan borrower. I further state that I understand that financial aid policies, procedures and guidelines are not limited to what is provided in this document and that it is my responsibility to obtain, read and understand all policies and regulations relative to my student loan. I will also provide any documentation supporting the figures on this request form and/or written explanation, if requested. If I withdraw from any classes, I understand I may be required to return part or all of the loan amount I receive. **I UNDERSTAND THAT THIS IS A FEDERAL LOAN THAT I MUST REPAY.***

Student Name (Print): _____ Date: _____

Student Signature: _____ SSN: _____

Eligibility Requirements to Receive a Student Loan:

1. U.S Citizen/National/Permanent Resident
2. Complete the FAFSA
3. Enrolled and attending at least 6 credits in an eligible program
4. Maintain Satisfactory Academic Progress as outlined by the Financial Aid Office
5. Have a complete and accurate financial aid file
6. Not be in default or have an overpayment of any Title IV student aid

Loan Amounts may be Pro-Rated for:

1. One semester loans
2. Less than full-time students
3. By Federal regulation, the Financial Aid Office may reduce the amount or deny the certification of a loan. The reason for the denial will be sent to the student in writing.