

2010-2011 Federal Direct Student Loan Request Form

Lon Morris College will participate in the Federal Direct Student Loan program effective with the 2010-2011 academic year. To learn about the Federal Direct Subsidized, Unsubsidized, and PLUS Loan Programs, please visit <https://studentloans.gov/>. The Financial Aid Office has awarded you a Federal Direct Student Loan. The maximum amount eligible for you to borrow is on your award letter. You must take the following steps to activate your loan request.

1. All student loan borrowers attending Lon Morris College (new and continuing borrowers) must complete a Federal Direct Loan Master Promissory Note (MPN): <https://studentloans.gov/>
You may e-sign or print and return to the Financial Aid office. (Step-by-step instructions are included on the back of this form)
2. Complete this Federal Direct Student Loan Request Form and return to the Financial Aid Office. **This must be received in order to originate your loans.**
3. First time borrowers must complete mandatory Entrance Loan Counseling. You may complete this here: <https://studentloans.gov/>
Once this has been completed, Lon Morris College will be notified.

Our office will divide your requested loan amount over the number of semesters indicated on your requested loan amount over the number of semesters indicated on your award letter, unless you advise us differently. The Financial Aid Office will originate your Subsidized Direct Loan eligibility, if any, prior to your Unsubsidized Direct Loan eligibility.

Student Name (Print)

Student ID#

Requested Loan Amount: \$ _____

If you do not want an Unsubsidized Direct Loan, please check this box

Please Note: Your student loan will NOT disburse as a form of payment in the Business Office until both Entrance Counseling and MPN are signed and completed online. Please follow directions on the back of this form.

TYPES OF FEDERAL DIRECT STUDENT LOANS

SUBSIDIZED: A Federal Direct Student Loan for which interest is paid by the federal government during in-school, grace and authorized deferment periods. Students begin to pay principal and interest on this loan only after a 6 month grace period expires.

UNSUBSIDIZED: A Federal Direct Student Loan for which the borrower is responsible for all interest payments for the life of the loan. Students enrolled at least half time may choose to postpone interest payments on this loan until repayment begins.

PROCESSING FEES

All Federal Direct Student Loans are subject to origination and federal default fees that are deducted from your loan proceeds at the time of disbursement. Beginning with loans for which the first disbursement of principal is made on or after July 1, 2010, and before July 1, 2011, the maximum origination fee that can be charged is 1%.

INTEREST RATES

For undergraduate students, the subsidized Federal Direct Student Loans first disbursed on or after July 1, 2010, have a fixed interest rate of 4.5%. Unsubsidized Federal Direct Student Loans first disbursed on or after July 1, 2008, have a fixed interest rate of 6.8%.

ENROLLMENT STATUS

All Federal Direct Student Loan borrowers must maintain a minimum of half time enrollment. Otherwise, the U.S. Department of Education will place the student in his/her grace period in preparation for repayment.

COUNSELING

First time Federal Direct Loan borrowers are required to complete Entrance Loan Counseling before receiving funds. Entrance Loan Counseling is available online at <https://studentloans.gov/>

Please check the following statement:

____ I have completed the Federal Direct Loan Master Promissory Note electronically online.

____ I have attached my completed (and signed) paper Federal Direct Loan Master promissory note.

I understand by signing this request form and my Master Promissory Note, I am agreeing to repay funds borrowed through the Federal Direct Loan Program. I understand my rights and responsibilities as a borrower. I have read the back side of this form.

Student Signature

Date

STEP BY STEP PROCESS TO GUARANTEE YOUR LOANS:

Please read this carefully before you begin the electronic Master Promissory Note (MPN) process. This is a step-by-step process to sign the MPN for the student Subsidized/Unsubsidized Loan. Please be aware that once the electronic MPN has been submitted, and you realize there is a mistake, you cannot log back on to make corrections to it. At any time, if your session has expired and it has been under 30 minutes, please click on Tools on your browser, Internet Options, Delete Cookies, Delete Files (including offline content). Then exit out of the browser and restart the process.

1. To complete your Entrance Counseling and an electronic MPN, please click the green 'Sign-In' button from the home page at <https://studentloans.gov/>, which is located at the top left under 'Manage My Direct Loan.' If you do not see a green sign-in button, you may not be using a supported browser. To make sure your computer is compatible with the site, please go to 'Learn More' at the top of the page, and click on 'What You Need.' If you are using a browser that is not supported, your view and interaction with this site may be significantly impaired.

Sign-in using your social security number, first two characters of your last name, date of birth, and PIN that was issued to you from <http://www.pin.ed.gov/>.

2. Entrance Counseling should be complete prior to beginning your MPN. To begin, click on '**Complete Entrance Counseling**.' This will take several minutes to complete and will ask a series of questions in regards to student loans. Please read each section carefully. Once completed, please print a copy of your confirmation and return with this form.

3. After Entrance Counseling, click on '**Complete Master Promissory Note**.' Then click on '**Subsidized/Unsubsidized**.' Enter your personal information. If you do not have a driver's license, you can leave this blank. All fields with a red asterisk placed next to it indicate a required field that you may not leave blank. At the bottom of the screen, enter your school and loan information. After you select your school, please review the information to ensure it is correct.

4. Provide information for two personal references. If you have previously created a reference on an electronic master promissory note, it will appear in the dropdown list. It is recommended that the first reference be a parent or guardian that lives in the United States. The second reference should be someone you have known at least 3 years and also lives in the United States. If you are unable to provide a parent or guardian for the first reference, please list someone you have known for at least 3 years. Please note if you select 'other' for the relationship field, you must enter your affiliation with this reference before you can continue. Additionally, make sure you do not use any characters or symbols when entering information on this step (for example: @, &, etc.), or any extra spaces, as the website views them as invalid characters. Click 'Continue'.

5. Sections C-G must be read before continuing. Sections C, D, E, and G will display a green checkmark to the right once completed. Section F contains instructions for completing a paper MPN and therefore is not displayed here. Click the plus sign to expand the tab and read the contents. Once you have read the section, clicking on the minus sign will minimize it. During this step, please review each section carefully. Once you have read each section carefully, you will check the box on the bottom of the page with the following text: "I have reviewed the information about me on the Master Promissory Note and acknowledge that it is true and correct. I have read, understand, and agree to the Borrower Request, Certifications, Authorizations, and Understandings, the Promise to Pay, and the MPN Terms and Conditions." Then click on the continue button.

6. Review your submitted information. If any of the information is incorrect, you can modify any information by clicking on the edit button in each section. If the information is correct, please type in your name as it appears under your personal profile when you first logged in. Click 'Sign.' Once your signature has been authenticated, you must click on the HTML Version of your MPN and review your information before continuing. Click Continue.

Note: Please be sure to close out of the HTML Version of the MPN prior to clicking the 'Continue' button. Your MPN has not been successfully submitted until you receive the "**Thank you for submitting the MPN. You can view and/or download the PDF version of your completed MPN**" message.

Success! The next screen will allow you to view/download the PDF version of your completed MPN. You may print a copy of your MPN or save it to your desktop. If you would like to request that a paper copy of your completed MPN be mailed to you, click on 'Completed MPNs' under loan documents on the left hand side of the screen. The next screen will display your completed MPNs. Check the box next to the MPN that you would like a copy of, and click 'Request Printed MPN.'

If you have problems completing your MPN online, please contact the COD School Relations – Application Services at 1.800.557.7394.