RIGHTS AND RESPONSIBILITIES SUMMARY

I understand that I have a right to the following:

- Written information on my loan obligations and information on my rights and responsibilities as a borrower provided by my lender and school
- A grace period and an explanation of what this means
- A disclosure statement from my lender, received before I begin to repay my loan, that includes information about interest rates, fees, the balance I owe, and the number of payments
- Deferment of repayment or forbearance for certain defined periods, if I qualify and if I request deferment or forbearance
- Prepayment of my loan in whole or in part anytime without an early-repayment penalty
- A copy of my Master Promissory Note (MPN) either before or at the time my loan is disbursed
- Documentation that my loan is paid in full

I understand that I am responsible for:

- Understanding the terms of my loan, retaining copies of my loan documents and keeping track of both how much I am borrowing and the impact that borrowing will have on future repayment affordability.
- Repaying my loan according to the terms of my Master Promissory Note (MPN) even if I do not complete my academic program, if I am dissatisfied with the education I received, or if I am unable to find employment after I graduate or leave school.
- Making payments on time even if I don’t receive a bill, repayment notice, or a reminder.
- Keeping in touch with my loan servicer and notifying this servicer when I graduate; withdraw from school; drop below half-time status; transfer to another school; or change my name, address, or Social Security number. I can find my loan servicer at www.nslds.ed.gov
- Contacting my servicer if I’m having trouble making my scheduled loan payments as there may be several other options available to help keep my loan in good standing.
- Completing loan Entrance Counseling before I receive my first loan and loan Exit Counseling before I leave school or drop below half-time enrollment at https://studentloans.gov/myDirectLoan/index.action

INFORMATION ABOUT FEDERAL LOANS INCLUDED IN YOUR FINANCIAL AID AWARD

Repayment Information

Borrower Grace Periods
After you graduate, leave school, or drop below half-time enrollment, you have a period of time before you have to begin repayment. This "grace period" will be

- Six months for a Federal Stafford Loan (Direct Loan Program or Federal Family Education Loan (FFEL) Program).
- Nine months for Federal Perkins Loans.

PLUS Borrowers—The repayment period for all PLUS Loans begins on the date the loan is fully disbursed, and the first payment is due within 60 days of the final disbursement. However, a graduate student PLUS Loan borrower (as well as a parent PLUS borrower who is also a student) can defer repayment while the borrower is enrolled at least half-time, and, for PLUS loans first disbursed on or after July 1, 2008, for an additional six months after the borrower is no longer enrolled at least half-time. Interest that accrues during these periods will be capitalized if not paid by the borrower during the deferment. Parent PLUS Loan borrowers whose loans were first disbursed on or after July 1, 2008, may choose to have repayment deferred while the student for whom the parent borrowed is enrolled at least half-time and for an additional six months after that student is no longer enrolled at least half-time. Interest that accrues during these periods will be capitalized if not paid by the parent during the deferment.

Make Your Payments on Time
Your loan servicer will provide information about repayment and will notify you of the date loan repayment begins. It is very important that you make your full loan payment on time either monthly (which is usually when you’ll pay) or according to your repayment schedule. If you don’t, you could end up in default, which has serious consequences (see Default section below). Student loans are real loans—just as real as car loans or mortgages. You have to pay back your student loans.

Get Your Loan Information
The U.S. Department of Education's National Student Loan Data System (NSLDS) provides information on your federal loans including loan types, disbursed amounts, outstanding principal and interest, and the total amount of all your loans. To access NSLDS, go to www.nslds.ed.gov.
Repayment Plans
You have a choice of several repayment plans that are designed to meet the different needs of individual borrowers. The amount you pay and the length of time to repay your loans will vary depending on the repayment plan you choose. Go to Repayment Plans and Calculators for more information about the various repayment plans and to calculate your estimated repayment amount under each of the different plans.

If you're not sure who your loan servicer is, you can look it up on www.nslds.ed.gov or call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243; TTY 1-800-730-8913).

If you have specific questions about repaying FFEL, Direct, or Perkins Loans, contact your loan servicer. In the case of Perkins Loans, your servicer will be the school that made the loan.

Loan Interest Rate Information:
If you receive a federal student loan, you will be required to repay that loan with interest. It is important that you understand how interest is calculated and the fees associated with your loan. Both of these factors will impact the amount you will be required to repay. For more information about current interest rates and how interest rates are calculated for federal student loans refer to http://studentaid.ed.gov/types/loans/interest-rates.

Electronic Payment
In some cases, you might be able to reduce your interest rate if you sign up for electronic debiting. To learn more, go to the Electronic Payment.

Trouble Making Payments
If you're having trouble making payments on your loans, contact your loan servicer as soon as possible. Your servicer will work with you to determine the best option for you. Options include:

- Changing repayment plans.
- Requesting a deferment—If you meet certain requirements, a deferment allows you to temporarily stop making payments on your loan.
- Requesting a forbearance—If you don't meet the eligibility requirements for a deferment but are temporarily unable to make your loan payments, then (in limited circumstances) a forbearance allows you to temporarily stop making payments on your loan, temporarily make smaller payments, or extend the time for making payments.

If you stop making payments and don't get a deferment or forbearance, your loan could go into default (see Default section below), which has serious consequences.

Default
If you default, it means you failed to make payments on your student loan according to the terms of your promissory note, the binding legal document you signed at the time you took out your loan. In other words, you failed to make your loan payments as scheduled. Your school, the financial institution that made or owns your loan, your loan guarantor, and the federal government all can take action to recover the money you owe. Here are some consequences of default:

- National credit bureaus can be notified of your default, which will harm your credit rating, making it hard to buy a car or a house.
- You will be ineligible for additional federal student aid if you decide to return to school.
- Loan payments can be deducted from your paycheck.
- State and federal income tax refunds can be withheld and applied toward the amount you owe.
- You will have to pay late fees and collection costs on top of what you already owe
- You can be sued.

For more information on default and to learn what actions to take if you default on your loans, see the Department of Education’s Default Resolution Group Web site.

In certain circumstances, your loan can be cancelled/discharged. Read about cancellation provisions here. Loan Cancellation (Discharge)

If you're a teacher serving in a low-income or subject-matter shortage area, it may be possible for you to cancel or defer your student loans. Find out whether you qualify. Cancellation and Deferment Options for Teachers

Loan Forgiveness for Public Service Employees -For information and details, go to Public Service Loan Forgiveness

A Consolidation Loan allows you to combine your federal student loans into a single loan. Visit the Loan Consolidation page to see whether consolidation is right for you.

Remember your Federal Student Loans are an obligation that MUST be repaid!