

# Exit Counseling

If you are leaving school, complete the form, sign it at the bottom, and keep a copy.

## Borrower information (please print)

Last Name		First Name			MI	Social Security Number
Address		City		State	Zip Code	E-Mail Address
Telephone numbers	Permanent ( )	Work ( )	Cell ( )	Alternative ( )	Driver's License Number and State	

- Borrow only what you need and what you can afford to repay.
- Keep track of the amount you borrow and the lender's name, address and phone number.
- Keep records of the loans you receive, especially the promissory note and any loan information you receive from your school or lender.
- Contact your lender about repayment options if you can't afford your loan payment.
- Read this information carefully, and review the repayment, deferment, forbearance, cancellation and consequences of default information on the back side of this form.

## Your Rights and Responsibilities

- You must use the loan money only for authorized educational expenses.
- You are entitled to a copy of your promissory note before or at the time the loan is made. Your lender must provide you with a disclosure before your loan is made, and when your loan must be repaid, that includes details about your loan.
- You must notify your lender any time you drop to less than half-time enrollment or change schools. Also notify your lender: if you change your name, address, phone number, Social Security number, references, driver's license number; and, before you leave school, your permanent address, the name and address of your expected employer, and the address of your next of kin.
- You must repay your loan, plus interest, even if you do not complete the program, you are unable to obtain employment after you complete it, or you are dissatisfied with or do not receive the educational or other services you purchased from the school. You can prepay your loan at any time without penalty.
- Your lender may sell your loan or use a servicer to manage your account and must notify you of the name, address and telephone number of the new lender.
- You have a right to defer repayment of your loan in certain circumstances, for instance if you are in school, unemployed or experiencing an economic hardship. Contact your lender for eligibility requirements.

### Master Promissory Note

If you signed a Master Promissory Note (MPN), you may receive multiple loans for a maximum 10-year period using the same promissory note. Your school will notify you of the amount of loan you are eligible to receive for each academic period, and whether the loan is subsidized or unsubsidized. You must notify your lender if you do not want to receive additional loans under the MPN. If you want to change lenders, notify your school and contact the lender from whom you wish to borrow to sign a new MPN.

## Complete the following

Expected Permanent Address (address where you will receive mail after you leave school)				School Name		
City	State	Zip Code	Telephone			

Expected Employer Name, if known		Address				
City	State	Zip Code	Telephone			

Nearest Relative Not Living With You	Name	Address	City	State	Zip	Telephone
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Personal Reference Name	Address	City	State	Zip	Telephone
Personal Reference Name	Address	City	State	Zip	Telephone

## School use only

School code	Counseling date	Date counseling materials mailed to borrower.	Date borrower information sent to guarantor.
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I received counseling about my student loan and information about the estimated payment amount, repayment options, and deferment, forbearance and cancellation opportunities I will have on the loan. I understand that borrowing a student loan is a serious obligation, the student loan must be repaid, and there are serious consequences if I fail to do so.

**Borrower's Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

## Repayment Plans and Payments

You have a choice of a standard, graduated, income-sensitive, or extended repayment plan, and you may change the repayment plan once a year.

### Repayment Plans and Payments

Loan Amount	Standard 10-year maximum		Graduated 10-year maximum		Income-Sensitive 10-year maximum		Extended 25-year maximum		Consolidation 30-year maximum		
	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Total Payments	Monthly Payment	Years	Total Payments
\$ 2,625	\$ 50	\$ 3,267	\$ 30	\$ 3,674	\$ 28	\$ 3,877	----	----	\$ 50	5	\$ 3,267
6,125	75	9,023	52	9,609	57	10,831	----	----	75	10	9,023
10,000	123	14,695	85	15,693	79	17,703	----	----	97	15	17,468
15,000	184	22,075	128	23,540	114	26,613	----	----	146	15	26,203
23,000	282	33,859	196	36,094	169	40,882	----	----	196	20	47,052
30,000	368	44,150	256	47,080	217	53,368	\$ 237	\$ 70,991	256	20	61,370
46,000	564	67,718	392	72,189	327	81,906	363	108,847	363	25	108,847
60,000	736	88,299	511	94,160	423	106,881	473	141,974	451	30	162,327
100,000	1,227	147,144	852	156,933	698	178,226	789	236,621	752	30	270,561
138,500	1,700	203,756	1,180	217,352	964	246,878	1,092	327,718	1,041	30	374,708

Payment amounts based on 8.25% maximum interest rate. Graduated monthly payment increases every 2 years by 21.56% until the loan is repaid.

Income-sensitive repayment assumes annual income of \$25,000; monthly payment adjusted annually and must be at least the amount of interest due on the loan; reverts to standard or graduated repayment plan unless you reapply annually.

**Standard Repayment** lets you repay the loan in equal monthly payments of at least \$50 for up to 10 years.

**Graduated Repayment** allows you to begin repayment with a lower monthly payment amount, which increases gradually over 10 years until the loan is repaid.

**Income-Sensitive Repayment** adjusts your monthly payment annually based on your total income and student loan debt. The repayment period can be up to 10 years.

**Deferment** You are entitled to defer your loan payments in certain circumstances depending on when you obtained your first student loan. You may be eligible for one of the most common types of deferments if you are: attending school at least half-time, studying full-time in a graduate fellowship program, or participating in a full-time rehabilitation training program for individuals with disabilities; conscientiously seeking, but unable to find full-time employment; or experiencing an economic hardship. Contact your lender for a complete list of deferments, eligibility requirements, and instructions for submitting any documentation the lender may need. Your lender can temporarily suspend your loan payments while you gather the deferment documentation. For some borrowers, interest is paid by the federal government during deferment.

**Forbearance** You may also be entitled to a forbearance on your loan to delay or reduce your loan payments for a short period of time if you are having financial difficulties. Other forbearances are offered at the lender's option. Interest continues to accrue during a forbearance and is fully paid by the borrower. Contact your lender for more information.

**Cancellation** If you don't need the entire loan you can return part or all of the funds. Contact your school or lender for more information about canceling or reducing the loan. Your student loan will be cancelled if you die; become permanently, totally disabled; your school closes before you complete your program; or the school falsely certifies your loan. A portion of your loan may be forgiven if you are a full-time teacher or child-care provider; or your school fails to make a refund to your lender. Certain military personnel may be entitled to repayment assistance from the Department of Defense. Contact your lender for more information.

**Consequences of Default** If you don't make your payments when they are due, your loan may be considered in default. There are serious consequences if you default on your student loan.

- You will lose federal and state income tax refunds.
- You will lose other federal or state payments.
- Legal action can be taken against you.
- Collection charges (including attorney fees) can be assessed to you.
- You may lose your professional license.
- The interest rate on your loan can increase.
- You will lose eligibility for other student aid and assistance under most federal benefit programs.
- You will lose eligibility for student loan deferments.
- Information about your loans will be reported to national credit bureaus and damage your credit rating.
- Your employer may be required to withhold part of your wages to pay for your student loan (wage garnishment).

**Extended Repayment** for up to 25 years is available if you borrowed a student loan for the first time after October 7, 1998, and your student loan debt is over \$30,000.

**Consolidation** combines different types of student loans that may have different interest rates and lenders into a new loan. The repayment period is 10 to 30 years, depending on the total student loan debt.

**If you have difficulty repaying your loan, contact your lender about:**

- Changing your repayment plan to lower your monthly payment.
- Getting a deferment if you are in school, unemployed or experiencing financial hardship.
- Getting a forbearance to delay or reduce your loan payment.
- Consolidating your student loans.
- Discharging your loan if you become permanently, totally disabled or your school closes.

**Student Loan Ombudsman** If you are unable to resolve any difficulties you are having with your school, lender, servicer or guarantor about your student loan, contact:  
 U.S. Department of Education FSA Ombudsman  
 830 First Street, NE • 4<sup>th</sup> Floor • Washington DC 20202  
 Customer Service: 877-557-2575 Fax: 202-275-0549  
 Website: [www.ombudsman.ed.gov](http://www.ombudsman.ed.gov)

Information about your loans is available from the Department of Education's National Student Loan Data System (NSLDS) at [www.nsls.ed.gov](http://www.nsls.ed.gov) or by calling 800-4FEDAID.