

Loan Entrance Counseling

During the financial aid process, you received an overview of all possible sources of aid including grants and loans. As a Federal Stafford Loan, Federal Unsubsidized Stafford*, or Student Educational Loan Fund (SELF)** borrower, you have undertaken a serious obligation. The full details of your loan contract, including interest rates, fees, repayment terms, deferment options, etc., have been provided to you as part of your Loan Application, Promissory Note and/or Disclosure Statement materials. Your signature at the bottom of this form indicates that you understand the following:

Your Rights—

1. You will be given written information on loan obligations, and information on borrower's rights and responsibilities, including your options, if any, for loan consolidation and refinancing.
2. Before you begin to repay your loan, your lender must give you a repayment schedule and detailed information about interest rates, the balance you owe, and the repayment options available to you.
3. Your lender must notify you if your loan is sold or transferred.
4. You may repay the whole loan or part of the loan at anytime without penalty.
5. You will be given a copy of your promissory note. When your loan is paid in-full, your lender will notify you.

IF YOU HAVE BORROWED A FEDERAL STAFFORD OR FEDERAL UNSUBSIDIZED STAFFORD LOAN, IN ADDITION TO THE ABOVE—

6. You have the right to federal interest benefits, if you qualify for a Federal Subsidized Stafford Loan.
7. You have the right to a grace period, if applicable, and an explanation of what that means.
8. You have the right to defer repayment for a defined length of time after the grace period, if you qualify.
9. You have the right to request a forbearance, which may be granted at the lender's option.

Your Responsibilities –

1. You must repay your loan even if you do not complete your program, are unable to find employment after graduation, or are dissatisfied with the education you received.
2. You must notify your lender/servicer promptly if you:
 - change your name
 - change your address or phone number
 - graduate, transfer or withdraw from school
 - change enrollment to less than half-time
 - have difficulty repaying your loan
3. If you transfer schools, your SELF loan payments may be affected.
4. If you borrowed a Federal Stafford or Federal Unsubsidized Stafford Loan, your minimum payment each year is \$600, or more depending on the amount borrowed.
5. You must attend an exit interview before you graduate or withdraw from school.

Consequences of Delinquency and Default –

1. If you fail to make timely payments on your loan, your delinquency, and if applicable, your co-signer's delinquency and/or default will be reported to a credit bureau. This may affect your credit rating and your ability to borrow from any source in the future.
2. The entire unpaid amount of your loan, including accrued interest, may become immediately due and payable.
3. Your school may place a hold on your records.
4. You may become ineligible to receive any additional federal and/or state student financial aid.
5. Your federal and state tax refunds, and if applicable, those of your co-signer, may be seized.
6. Your wages may be garnished.
7. Your account may be assigned to a collection agency, or to the federal government.
8. You may be charged reasonable attorneys' fees and other collection costs.
9. Your professional license or certificate may be suspended.

* Federal Stafford and Federal Stafford Unsubsidized Loans are part of the Federal Family Education Loan Program (FFELP).

** The Student Educational Loan Fund (SELF) is a program administered by the Minnesota Higher Education Services Office (MHESO).

My signature below certifies that I have received loan counseling and have read and understand my rights and responsibilities as a student borrower.

Borrower Signature _____ Date _____

Name Telephone Social Security Number

Address City/State/Zip Driver's License Number

