

Terms and Conditions of Federal Student Loans

William D. Ford Federal Direct Stafford Loan: The Federal Direct Stafford Loan program is available to undergraduate and graduate students. To qualify for Federal Direct Stafford Loans the student must file a FAFSA, be admitted into a degree program and be enrolled at least half-time. Dependent undergraduate students may be eligible to borrow up to:

\$5,500 as a first-year student

\$6,500 as a second-year student

Independent undergraduate students may be eligible to borrow up to \$4,000 more during the first and second years and \$5,000 more during the third through fifth years. Graduate and professional students may borrow up to \$20,500 per year, if the student cost of attendance allows.

The Federal Direct Stafford Loan program includes Subsidized (need based) and Unsubsidized (non-need based) loans. The financial assistance award will indicate eligibility for either loan type or a combination of the two loan types depending on the results of the FAFSA. Federal Direct Stafford Loans begin repayment of principal and interest at the end of the six month grace period. The interest rate* is fixed at 3.76% for undergraduate Stafford Loans and 5.31% for graduate students. Interest accrual begins at graduation or less than half-time enrollment for Subsidized Stafford Loans and interest accrual begins at disbursement for Unsubsidized Stafford Loans. The U.S. Department of Education charges a 1.069% loan origination fee* which will be subtracted from the loan proceeds at disbursement.

If a Federal Direct Stafford Loan has been included in the financial assistance award, the following items must be completed before the funds will be credited to the student account:

- Federal Direct Stafford Loan Request Form (form 4)
- Federal Direct Stafford Entrance Counseling online at <http://www.studentloans.gov>

- Federal Direct Stafford Master Promissory Note online at <http://www.studentloans.gov>

Returning Blue Cliff Career College students who previously borrowed under the Federal Direct Stafford Loan program will have their loans processed automatically for the amount indicated on the financial assistance award. Continuing and Graduate Program students must complete a loan request form each year.

William D. Ford Federal Direct Parent Loan for Undergraduate Students (PLUS): The Federal Direct Parent PLUS Loan is available to parents of dependent undergraduate students. The student must file a FAFSA. Approval of a PLUS Loan is contingent upon credit approval by the U.S. Department of Education. The parent may borrow up to the cost of attendance minus other aid received. The interest rate* is fixed at 6.31% with interest accrual beginning at disbursement. Repayment of principal and interest begins within 60 days of full disbursement or a deferment may be available to postpone repayment until 6 months after the student graduates or drops below part-time enrollment. The U.S. Department of Education charges a 4.276% loan origination fee* which will be subtracted from the loan proceeds at disbursement. These rates are subject to change by the U.S. Department of Education. See www.studentloans.gov.

To apply for the Federal Direct Parent PLUS Loan, the parent borrower must complete:

- Federal Direct Parent PLUS Loan Request online at www.studentloans.gov
- Federal Direct Parent PLUS Master Promissory Note online at www.studentloans.gov

*Interest rates are set annually by the federal government on July 1. Origination fees are set annually by the federal government on October 1.

Estimated Repayment Information for Federal Student

Loans: The chart below provides estimated monthly payment amounts based on levels of Stafford Loan indebtedness at a 4.29% fixed interest rate. The minimum monthly payment amount is \$50 under the 10-year Standard Repayment Plan, but may be more depending on how much you borrow.

Estimated Repayment Information for Federal Direct Loans:

	3.76% Fixed Interest Rate	
Balance at Repayment	Number of Payments	Estimated Payment Am
\$1,000	21	\$50
\$5,500	120	\$55
\$10,000	120	\$100
\$15,000	120	\$150
\$20,000	120	\$201

\$25,000	120	\$251
\$30,000	120	\$301

YOUR RIGHTS AND RESPONSIBILITIES:

You Have The Right To:

- Be informed. Blue Cliff Career College strives to provide parents and students with factual information about costs, aid, opportunities, programs, etc. through its publications and correspondence.
- Expect confidentiality. All financial aid information submitted to the financial aid office is confidential and will not be released without your written consent.
- Receive an answer. A professional staff member in the financial aid office will answer any question concerning the determination of your award.
- Accept all or part of the assistance offered. An award of one type of aid is not contingent upon acceptance of another.
- Have your financial need reviewed if there has been a significant change in your family financial situation. However, this does not always result in an increase in your award.
- Examine your financial aid records. You may request a review with a financial aid administrator at any time.
- Expect fair treatment. Blue Cliff Career College does not discriminate on the basis of race, color, sex, religion, national or ethnic origin, physical or mental handicap or age.

You Are Responsible For:

- Meeting your educational costs (along with your parents if you are a dependent student).
- Supplying accurate information on all forms submitted. Funds obtained on the basis of false information must be repaid and could result in criminal prosecution.

- Reporting any assistance received from any sources outside our office. This includes all outside education loans, scholarships and grants.
- Completing all necessary paperwork.
- Responding to the financial aid office on a timely basis. If you are applying for aid with a deadline, you must meet that deadline.
- Reporting any change in your circumstances by which might affect your eligibility for financial aid. These changes include residency, enrollment status (withdrawing from a class or school), class standing, change of financial resources and marital status.
- Using financial aid funds for expenses related to your attendance at College.
- Repaying all types of loan assistance and to inform lenders of any change in name, address, or enrollment while you are attending school and after you leave or graduate.
- Complying with all federal requirements of the 1983 Amendments to the Military Selective Service Act.
- Repayment of money owed from a prior over-award of federal funds at any institution. You are not eligible for additional financial aid if you owe a refund of federal funds.
- Making satisfactory academic progress as outlined in this handbook.
- Being aware and complying with all other conditions that relate to the receipt of your financial aid as outlined in this handbook.
- Complying with all verification deadlines if you have been selected for verification by submitting the forms described in this handbook.
- Repaying loans according to your established repayment schedule. You are not eligible for financial aid if you are in default on a Federal Perkins Loan, Health Professions Loan, Federal Stafford Loan or Federal PLUS Loan received at any institution.
- Repaying all loans according to established repayment schedules for all education related loans.

Selective Service Requirement For Financial Aid Recipients: The Department of Defense Authorization Act, 1983, which amends the Military Selective Service Act, denies federal financial aid under the Title IV programs (Pell Grant, Federal SEOG, Federal Perkins Loan, Federal Work Study, Federal Stafford Loan, TEACH Grant, and Federal PLUS Loan) of the Higher Education Act to any student who is required to

register for the Selective Service but fails to do so.

General registration requirements apply to males who are at least 18 years old and were born after December 31, 1959. If you believe you are not required to register, call the Selective Service Office at 1-888-655-1825 for information regarding exemptions.

Where Can I Seek Counseling About Financial Assistance? The financial aid office has staff members who can assist you in understanding your financial aid, budgeting your resources and loan management. You are encouraged to contact our office when you need help at 1-251-473-2220 to schedule an appointment. Other services provided by the office of financial assistance include assessing eligibility for financial aid, awarding aid, administering short-term and emergency loans, and recommending and processing Federal Direct Stafford Loans.