

## BOCES LOAN ENTRANCE COUNSELING

Required information will include:

- In person/group session
- Written materials that the borrower must sign and return

Sessions will include:

- The effect of accepting the loan on eligibility for other forms of student financial assistance
- An explanation of the use of the master promissory note
- How interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary
- For unsubsidized Stafford or Graduate PLUS loans, the borrower's option to pay the interest while the borrower is in school
- The definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment
- The importance of contacting the appropriate offices at the institution if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation
- Sample monthly repayment amounts based on:
  - A range of levels of indebtedness of
    - ✓ Borrowers of subsidized or unsubsidized Stafford loans; and
    - ✓ As appropriate, graduate borrowers of subsidized or unsubsidized Stafford loans or Graduate PLUS loans; or
  - The average cumulative indebtedness of other borrowers in the same program as the borrower at the same institution
- The obligation of the borrower to repay the full amount of the loan, regardless of whether the borrower completes or does not complete the program in which he or she is enrolled within the regular time for program completion
- The likely consequences of default on the loan, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation
- Loan data will be submitted to the National Student Loan Data System (NSLDS), and will be accessible by guaranty agencies, lenders, and institutions determined to be authorized users of the data system.
- The name of and contact information for the individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan
- NY HESC brochure



## Checklist

- I understand that I must complete entrance counseling before the delivery of my first loan disbursement.
- I must use my loan(s) for educational purposes and can prepay all or part of my loan(s) without penalty.
- I must repay my loan(s) in full including fees and accrued interest.
- I understand my obligation to repay back loan(s) if I do not complete the program or do not complete within the regular time.
- I understand my loan(s) cannot be discharged because of unemployment, my dissatisfaction with the school, or their services.
- I understand the effect of accepting loan(s) on my eligibility for other Financial aid.
- I understand how interest accrues and is capitalized during periods when the interest is not paid by Inc (the borrower) or the U.S. Department of Education.
- I understand the option to pay interest on Unsubsidized Stafford and/or Grad PLUS while in school.
- I received information on the average cumulative indebtedness of other borrowers at my school within my program.
- I understand the Master Promissory Note is a written agreement between me and the lender.
- I understand that I may receive more than one loan under a single Master Promissory Note.
- I understand a copy of my promissory note should be kept in a secure place.
- I understand the seriousness of my repayment obligation and my monthly payment will generally not be less than \$50.
- I received information on the repayment plans and loan consolidation.
- I understand that my monthly payment depends on the repayment plan, type of loan program, and amount borrowed.
- I understand to avoid delinquency of my loan(s) there are deferments and forbearance available.
- I understand the consequences of default which includes adverse credit reports and debt collection under federal law and litigation that may include State/Federal IRS Offsets (seizure of tax refunds).
- I understand defaulting on my loan(s) will create legal action which may result in garnishment of my wages.
- I understand the definition of half time enrollment at my school for all terms and the consequences of less than half time status.
- I understand satisfactory academic progress policies.
- I understand my school's refund policies.
- I understand my school's withdrawal policy and know the appropriate office to contact for my loan exit interview.
- I received the name and contact of the individual at my school with Title IV expertise to answer my loan questions.
- I received my school's loan disbursement schedule.
- I understand that I can access my student loan account information on-line at [www.NSLDS.ed.gov](http://www.NSLDS.ed.gov) if I have any concerns.
- I understand if there is a dispute about my loan(s) after contacting my school, lender, and guarantor (HESC), my next step would be to contact the Ombudsman representative at the U.S. Department of Education at 1-877-557-2575.

I certify that I read and understand my responsibilities and rights as a student borrower. All information completed on this form is correct to the best of my knowledge. I have received information during my loan counseling on the Master Promissory Note, capitalization, deferments, repayment option plans and debt management from the appropriate school official.

Student Signature \_\_\_\_\_

Date \_\_\_\_\_

School Official Signature \_\_\_\_\_

Date \_\_\_\_\_

## BOCES LOAN EXIT COUNSELING

Required information will include:

- In person/group session
- Written materials that the borrower must sign and return

Sessions will include:

- Information on available repayment plans, including a description of the different features of each plan
- Sample information showing the average anticipated monthly payments under each plan
- The difference in interest paid and total payments under each plan
- Debt management strategies that are designed to facilitate repayment
- General descriptions of terms and conditions for full or partial forgiveness or cancellation, deferment, or forbearance, and a copy of ED's publication [required under §485(d)] that describes the assistance programs in general and loan repayment in particular
- The borrower's options to prepay each loan, pay each loan on a shorter schedule, and change repayment plans
- Consequences of defaulting on a loan, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation
- The effects of consolidating Title IV loans under including at a minimum:
  - The effects on total interest to be paid, fees to be paid, and length of repayment
  - The effects on underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities
  - The borrower's option to prepay the loan or to change repayment plans
  - Variation in borrower benefit programs among different lenders
- A general description of the types of tax benefits that may be available to borrowers
- The availability of the National Student Loan Data System (NSLDS) and how the system can be used by a borrower to obtain information on the status of his or her loans
  - Any title IV grant or loan a student receives will be included in NSLDS, and how to access that information
  - The categories of individuals or entities that may access NSLDS data, and for what purposes access is allowed
  - The categories of information included in the data system
  - The provisions of applicable federal privacy statutes, and a statement of student rights and responsibilities under them
  - Measures taken by ED to safeguard student data
  - Other information as determined appropriate by ED
  - NY HESC brochure