

# STUDENT LOAN COUNSELING FORM

Courtesy of the Georgia Student Finance Commission

*Giving Students Financial Choices since 1965*



Visit us at **GACollege411.org**  
Call toll-free at **1-800-505-GSFC (4732)**

**Please Print**

Name	Permanent Home Address	City, State, ZIP	
Home Telephone (with Area Code)	Work Telephone (with Area Code)	Cell Phone (with Area Code)	E-Mail Address
Social Security Number	Driver's License Number	State	

**Complete for Exit Counseling**

<b>For Default Prevention Assistance: 1-800-505-GSFC (4732) 770-724-9000 www.GACollege411.org</b>			
School Name			
Current Lender		Current Guarantor	
Expected Permanent Address			Telephone (with Area Code)
Name of Current or Future Employer		Address	
		City, State, ZIP	
Name of Nearest Relative (not living with you)		Address	
		City, State, ZIP	
		Telephone (with Area Code)	
Name of Personal Reference		Address	
		City, State, ZIP	
		Telephone (with Area Code)	
Name of Personal Reference		Address	
		City, State, ZIP	
		Telephone (with Area Code)	

**Your Rights and Responsibilities:**

For more information on your loans, visit the U.S. Department of Education's National Student Loan Data Systems (NSLDS) at [www.nsls.ed.gov](http://www.nsls.ed.gov) or call 1-800-433-3243. (You must have the PIN supplied to you by the Department of Education to access your information on the website.)

**By accepting my student loan(s), I agree to:**

- Repay my loans, including accrued interest and fees, even if I do not complete my education, do not obtain employment, or am dissatisfied with my education.
- Attend exit counseling before I leave school or drop below half-time enrollment.
- Notify my lender if I change my name, address, or phone number; drop below half-time status, withdraw, or transfer, or change my graduation date.
- Direct all correspondence to the current holder(s) of my loan(s), or their servicer.
- Use student loans only for authorized educational expenses.

**I have the right to:**

- Receive a copy of my Master Promissory Note (MPN) either before or at the time the first loan is made.
- A grace period of six months (newer loans) before my payments begin after I leave school, drop below a half-time status, graduate, or withdraw.
- Receive a disclosure statement before my repayment plan begins, including information about interest rates, fees, balance, and the size and number of payments.
- Prepay all or part of my loans without penalty.
- Apply for a deferment of my payments, if I am eligible.
- Request a forbearance, if I am unable to make payments and do not qualify for a deferment.
- Have my loan cancelled (discharged) if I die, become permanently and totally disabled, the school closes before I can complete my program of study, the school falsely certifies my loan, or for some very restricted bankruptcy cases. Part of my loan may be cancelled if I am a full-time teacher or child-care provider, or if my school fails to make a required refund. Department of Defense repayment assistance is available for some military personnel.
- Contact the Student Loan Ombudsman if I am unable to resolve loan difficulties with my school, lender, servicer, or guarantor at: FSA Ombudsman; U.S. Department of Education; Fourth Floor; 830 First Street NE; Washington DC 20202-5144. Phone: 877-557-2575 FAX: 202-275-0549 [www.ombudsman.ed.gov](http://www.ombudsman.ed.gov)

I understand that if I do not repay my loans according to the required terms, I am in jeopardy of having my loans placed into a default status. Default means that the borrower missed too many payments, and the lender filed a claim against the delinquent loan(s). The borrower then owes the guarantee agency for the loans. The consequences of default can be severe and should be avoided.

**Current Holder** – Your lender may sell your loans to a new holder. You then owe the new holder instead of the original lender. If a loan is sold, the terms may change and you will receive a notice of the sale.

**Master Promissory Note** – The MPN is your legally binding commitment to repay your loan(s). If you sign the MPN online electronically, you have the opportunity to print a copy. You may receive multiple loans through the

MPN for a maximum 10-year period. Your school will notify you of the amount you are eligible to receive each academic year and whether the loan is subsidized or unsubsidized. Follow your school's procedures if you want to decline or reduce the loan(s) when you are notified. You may also contact your lender or servicer to change the amounts.

**Repayment Plan** – Your payments will begin within 60 days of the end of your grace period. There are different 10-year repayment plans (see exceptions below):

- **Standard** – has equal monthly payments of at least \$50. You are automatically set up for standard repayment unless you request a different plan.
- **Graduated** – starts with lower payments that increase over time.
- **Income-sensitive** – adjusts payments using income and student loan debt.
- **Extended** – allows up to 25 years to repay if you first borrowed after 10-07-98 and your debt is over \$30,000.
- **Consolidation** – a new loan that pays off existing student loans that may be with different lenders and at different interest rates. By consolidating, you may have a single lower payment. The repayment period can be from 10 to 30 years, depending upon the amount being consolidated.
- **IBR** – Income-Based Repayment - Adjust payments using AGI and poverty guidelines for family size.

**Deferment** – If you apply and qualify for a deferment, your payments are postponed (time limits may apply). The most common deferments are: 1) returning to school at least half-time, 2) unemployment, and 3) economic hardship. You must notify your lender of anything that might change your eligibility for an existing deferment.

**Forbearance** – A forbearance is a postponement or reduction of payments that you must request from your lender. Interest will continue to accrue, and payment will often go up after a forbearance. Your lender might grant a forbearance if you are in poor health, in a difficult residency program, or your loan payments are more than 20% of your monthly gross income.

**Consequences of Default.** If you default, you could face:

- Default information being reported to National Credit Bureaus, which will have a negative impact on your credit rating.
- An immediate demand to pay your loan(s) in full.
- Collection charges, usually adding about 25% more to what you owe. Your loan may be serviced by a collection agency.
- Seizure of your state and federal income tax refunds, and other Treasury offsets.
- Loss of eligibility for deferments, forbearances, state and federal financial aid, professional licenses, and state and federal jobs.
- Your employer having to deduct up to 15% of your wages (garnishment) to pay on your loans.
- Getting sued to force payment or to seize assets to pay on loans, and dealing with courts and attorneys.
- Bad credit reports that could prevent you from buying a car or home, or cost you more with high-risk interest rates, and raise your car and other insurance costs.

**I have received loan and debt management information, including the Borrower's Rights and Responsibilities for the Federal Stafford Master Promissory Note, and have read and understand the information on this form.**

Borrower Signature \_\_\_\_\_

Date Signed \_\_\_\_\_

Entrance Counseling

Exit Counseling

**School Use Only**

Date Mailed \_\_\_\_\_

Signature \_\_\_\_\_

Date Completed \_\_\_\_\_