

STAFFORD LOAN ENTRANCE COUNSELING

Read the following information carefully before signing this application.

- The Master Promissory Note (MPN) is a legally binding document that sets the terms of my student loans, and is valid for up to 10 years from the date I sign it. Each year the Office of Financial Aid will notify me of the loan amount for which I am eligible, and will give me the opportunity to accept or reduce the amount.
- This is a loan that **must** be repaid.
- I must repay the loan in accordance with the terms provided by the lender.
- I must notify my lender within 30 calendar days, in writing, if any of the following events occur before the loan is repaid in full:
 - A. I fail to enroll in school for the intended loan period.
 - B. I withdraw from school or drop below halftime.
 - C. I transfer from one school to another.
 - D. I graduate from school.
 - E. I change my name through marriage, etc.
 - F. I change my address.
- I understand that I must repay the full amount of the loan even if I do not obtain a degree, am unable to secure employment after graduating, or am dissatisfied with the educational program.
- If I qualify for a deferment of repayment, I must provide the lender with written evidence of my eligibility and notify lender as soon as the condition for which the deferment was granted no longer exists.
- If I fail to make any repayment when it is due, the entire unpaid indebtedness, including interest, shall, at the option of the lender or any other holder of the promissory note, become immediately due and payable.
- I may, at my option and without penalty, prepay at any time all or any part of the principal or accrued interest of this loan. The approved lender must return the original promissory note to me when I have paid the loan in full.
- I am expected to make monthly payments promptly and I am to submit monthly payments beginning six months after I graduate.

- I understand that, if I fail to honor my obligation for payment on my student loan(s) and I default, the lender or guarantee agency will use legal means to collect the amount due. In addition, I become responsible for collection costs and attorney fees.
- I have authorized the lender to investigate my credit record and report to appropriate persons and credit bureaus my repayment performance under the loan agreement.
- If I default, I could owe the entire balance of the loan. My lender could report my loan status to the credit bureau, which may adversely affect my credit rating. Upon request, the lender must describe any arrangements it has made with credit bureau organizations concerning students' loans. The lender may institute legal action to force me to repay my loan.
- The approved lender must provide me with Terms of Repayment before the repayment period begins. The provisions of the repayment schedule must conform to the provisions in the Notice of Loan Guarantee and Disclosure Statement.
- If I am willing but financially unable to make repayments under my loan schedule, I may request the lender to grant forbearance on the loan(s) and allow any of the following:
 - A. A short period during which no payments are made.
 - B. An extension of time for making payments.
 - C. Smaller payments than were originally scheduled.
- The approved lender must keep on file a copy of the state and federal laws and regulations that govern the Federal Family Education Loan Program. I have the right to examine these materials.
- I understand that upon graduation or ceasing to be enrolled at least half-time, I will be required to complete Loan Exit Counseling.
- For additional information, please contact the Office of Financial Aid at (205) 726-2905, (800) 888-7245, or by visiting the Financial Aid Web site at **www.samford.edu**.

KEEP A COPY FOR YOUR FILES