

FEDERAL STUDENT LOAN ENTRANCE COUNSELING



This document should be retained as a summary of the information covered in the Entrance Counseling process. Your school will be notified of your course completion automatically. You are typically not required to provide them a copy of this certificate. If they do need a copy, you will receive a direct request with clear instruction on how to submit it and to whom.

The Master Promissory Note (MPN)

The MPN is a promissory note that can be used to make one or more loans for one or more academic years (up to 10 years). By signing this document you are indicating that you understand your rights and responsibilities as a borrower as well as your commitment to pay back your student loans.

Importance of Paying Back Your Loan(s)

Student loans are a means for funding your education when grants, scholarships, and other sources of funding that do not have to be paid back will not cover the amount you need. Loans do have to be paid back. Failing to adhere to the terms and conditions of your loan(s) can have serious repercussions.

Consequences of Delinquency and Default

If you are 1 day late on your student loan payment(s) you are considered Delinquent. The longer you go without making your payment the greater the impact on your credit. As your credit score drops you can expect to have a harder time getting approved for loans and credit cards as well as experience difficulty renting housing. In the highly competitive job market your credit rating may even impact your employment opportunities.

If you fail to make a payment for 270 days your loan(s) will go into Default. There are additional consequences in addition to the negative impact on your credit that has been increasing since the first day you were late. You can be contacted by federal debt collection agencies, may have your wages garnished, can be taken to court, and can also have potential tax refunds taken to cover your debt. Not to mention you are no longer eligible for any additional Federal Student Loans if you are in default.

Note: You can get back on the right track if you are delinquent and even if you are in default. Contact your servicer(s) to review the steps you need to take.

Requirement to Repay

It is important to note that you are required to repay your loan(s) even if you do not complete your program of study, do not complete your program within the normal time frame for completion, are unable to find employment, or are otherwise unhappy with the school or the education you received when taking the loan(s).

Repayment and Sample Monthly Payments

Repayment for subsidized and unsubsidized loans (Stafford Loans) as well as Grad PLUS loans will begin 6 months after you graduate or drop below half time status. Here are some examples of monthly payments you might expect depending on the total amount of student loan debt that you obtain.

Estimates have been provided for comparison of repayment with and without consolidating the loans to a single new loan as well as all of the available repayment plan options.

Non-Consolidated Direct Subsidized and Unsubsidized Loans for Undergraduates

Debt When Loan Enters Repayment	Standard (10 years)		Graduated (10 years)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$51	\$6,161	\$29	\$6,452	N/A	N/A	N/A	N/A
\$10,000	\$103	\$12,321	\$58	\$12,904	N/A	N/A	N/A	N/A
\$25,000	\$257	\$30,803	\$144	\$32,260	N/A	N/A	N/A	N/A
\$50,000	\$513	\$61,606	\$288	\$64,520	\$272	\$81,681	\$179	\$89,325
\$100,000	\$1,027	\$123,212	\$576	\$129,041	\$545	\$163,362	\$358	\$178,651

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$41	\$40	N/A	N/A
\$10,000	N/A	N/A	\$81	\$80	N/A	\$72
\$25,000	N/A	\$108	\$203	\$201	\$228	\$72
\$50,000	\$342	\$108	\$406	\$346	\$228	\$72
\$100,000	\$342	\$108	\$554	\$346	\$228	\$72

Monthly payments are estimates calculated using a fixed interest rate of 4.29% and an income of \$45,000 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

Consolidated Direct Subsidized and Unsubsidized Loans for Undergraduates

Debt When Loan Enters Repayment	Standard (10 to 30 years**)		Graduated (10 to 30 years**)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$52	\$6,291	\$40	\$6,458	N/A	N/A	N/A	N/A
\$10,000	\$78	\$14,000	\$55	\$14,716	N/A	N/A	N/A	N/A
\$25,000	\$162	\$38,773	\$103	\$42,209	N/A	N/A	N/A	N/A
\$50,000	\$285	\$85,518	\$198	\$93,493	\$285	\$85,518	\$198	\$93,493
\$100,000	\$522	\$187,793	\$396	\$204,591	\$570	\$171,035	\$396	\$186,987

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$42	\$42	N/A	N/A
\$10,000	N/A	N/A	\$84	\$84	N/A	\$77
\$25,000	N/A	\$115	\$211	\$209	\$229	\$77
\$50,000	\$344	\$115	\$421	\$353	\$229	\$77
\$100,000	\$344	\$115	\$556	\$353	\$229	\$77

Monthly payments are estimates calculated using a consolidated fixed interest rate of 4.75% and an income of \$45,000 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

** When repaying a Direct Consolidation Loan the maximum repayment period for Standard and Graduated repayment plans are based on your total education indebtedness. Less than \$7,500, 10 years; \$7,500 - \$9,999, 12 years; \$10,000 - \$19,999, 15 years; \$20,000 - \$39,000, 20 Years; \$40,000 - \$59,999, 25 years; \$60,000 or more, 30 years.

Non-Consolidated Direct Unsubsidized Loans for Graduate or Professional Students

Debt When Loan Enters Repayment	Standard (10 years)		Graduated (10 years)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$55	\$6,601	\$31	\$7,027	N/A	N/A	N/A	N/A
\$10,000	\$110	\$13,202	\$63	\$14,053	N/A	N/A	N/A	N/A
\$25,000	\$275	\$33,006	\$157	\$35,133	N/A	N/A	N/A	N/A
\$50,000	\$550	\$66,011	\$314	\$70,266	\$316	\$94,820	\$242	\$103,257
\$100,000	\$1,120	\$134,433	\$642	\$143,720	\$657	\$196,975	\$517	\$214,079

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$48	\$48	N/A	N/A
\$10,000	N/A	N/A	\$97	\$97	N/A	N/A
\$25,000	N/A	\$252	\$241	\$241	N/A	\$168
\$50,000	\$486	\$252	\$483	\$483	\$324	\$168
\$100,000	\$486	\$252	\$746	\$544	\$324	\$168

Monthly payments are estimates calculated using a fixed interest rate of 5.84% and an income of \$56,500 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

Consolidated Direct Unsubsidized Loans for Graduate or Professional Students

Debt When Loan Enters Repayment	Standard (10 to 30 years**)		Graduated (10 to 30 years**)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$56	\$6,737	\$41	\$7,018	N/A	N/A	N/A	N/A
\$10,000	\$86	\$15,434	\$58	\$16,631	N/A	N/A	N/A	N/A
\$25,000	\$183	\$43,856	\$130	\$48,036	N/A	N/A	N/A	N/A
\$50,000	\$330	\$98,950	\$260	\$107,734	\$330	\$98,950	\$260	\$107,734
\$100,000	\$616	\$221,658	\$521	\$221,962	\$660	\$197,901	\$521	\$215,469

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$49	\$49	N/A	N/A
\$10,000	N/A	N/A	\$99	\$99	N/A	N/A
\$25,000	N/A	\$259	\$247	\$247	N/A	\$173
\$50,000	\$487	\$259	\$494	\$494	\$325	\$173
\$100,000	\$487	\$259	\$747	\$544	\$325	\$173

Monthly payments are estimates calculated using a consolidated fixed interest rate of 6.25% and an income of \$56,500 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

** When repaying a Direct Consolidation Loan the maximum repayment period for Standard and Graduated repayment plans are based on your total education indebtedness. Less than \$7,500, 10 years; \$7,500 - \$9,999, 12 years; \$10,000 - \$19,999, 15 years; \$20,000 - \$39,000, 20 Years; \$40,000 - \$59,999, 25 years; \$60,000 or more, 30 years.

Non-Consolidated Direct PLUS Loans for Graduate or Professional Students

Debt When Loan Enters Repayment	Standard (10 years)		Graduated (10 years)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$59	\$6,905	\$33	\$7,430	N/A	N/A	N/A	N/A
\$10,000	\$115	\$13,810	\$66	\$14,860	N/A	N/A	N/A	N/A
\$25,000	\$288	\$34,524	\$166	\$37,150	N/A	N/A	N/A	N/A
\$50,000	\$575	\$69,048	\$332	\$74,300	\$347	\$104,111	\$283	\$112,770
\$100,000	\$1,151	\$138,096	\$664	\$148,600	\$694	\$208,222	\$567	\$225,540

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$51	\$51	N/A	N/A
\$10,000	N/A	N/A	\$102	\$102	N/A	N/A
\$25,000	N/A	\$252	\$254	\$254	N/A	\$168
\$50,000	\$486	\$252	\$509	\$509	\$324	\$168
\$100,000	\$486	\$252	\$746	\$538	\$324	\$168

Monthly payments are estimates calculated using a fixed interest rate of 6.84% and an income of \$56,500 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

Consolidated Direct PLUS Loans for Graduate or Professional Students

Debt When Loan Enters Repayment	Standard (10 to 30 years**)		Graduated (10 to 30 years**)		Extended Fixed (25 years)		Extended Graduated (25 years)	
	Per month	Total	Per month	Total	Per month	Total	Per month	Total
\$5,000	\$59	\$7,044	\$42	\$7,416	N/A	N/A	N/A	N/A
\$10,000	\$91	\$16,432	\$61	\$18,031	N/A	N/A	N/A	N/A
\$25,000	\$197	\$47,423	\$151	\$51,775	N/A	N/A	N/A	N/A
\$50,000	\$361	\$108,421	\$302	\$117,254	\$361	\$108,421	\$302	\$117,254
\$100,000	\$682	\$245,583	\$604	\$262,791	\$722	\$216,842	\$604	\$234,508

Debt When Loan Enters Repayment	Income Based Repayment*		Income Contingent Repayment*		Pay As You Earn*	
	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)	Single (family size of 1)	Married or Head of Household (family size of 4)
	Per month	Per month	Per month	Per month	Per month	Per month
\$5,000	N/A	N/A	\$52	\$52	N/A	N/A
\$10,000	N/A	N/A	\$104	\$104	N/A	N/A
\$25,000	N/A	\$260	\$260	\$260	N/A	\$173
\$50,000	\$487	\$260	\$521	\$521	\$325	\$173
\$100,000	\$487	\$260	\$747	\$544	\$325	\$173

Monthly payments are estimates calculated using a consolidated fixed interest rate of 7.25% and an income of \$56,500 for a borrower living in the continental US.

Salary Estimates from 2013 NACE Salary Survey

* Estimated monthly payments are for the first year only. Repayment plans based on income are re-evaluated annually.

** When repaying a Direct Consolidation Loan the maximum repayment period for Standard and Graduated repayment plans are based on your total education indebtedness. Less than \$7,500, 10 years; \$7,500 - \$9,999, 12 years; \$10,000 - \$19,999, 15 years; \$20,000 - \$39,000, 20 Years; \$40,000 - \$59,999, 25 years; \$60,000 or more, 30 years.

Interest Rates and the Option to Pay While in School to Avoid Capitalization

Federal Loan Interest Rates by Disbursement Dates:

Student Loan Type	Loans first Disbursed between July 1, 2020, and June 30, 2021
Direct Subsidized Loans (Undergraduate Students)	Fixed at 2.75%
Direct Unsubsidized Loans	Fixed at 2.75% for Undergraduate Students Fixed at 4.30% for Graduate or Professional Students
Direct PLUS Loans (Graduate or Professional Students)	Fixed at 5.30%

If you borrowed a subsidized loan, the interest will be paid for you by the government while you are in school or other approved periods of deferment as well as your grace period. You will be responsible for the interest during all other times during the life of the loan.

If you borrowed an unsubsidized loan or a PLUS loan, you are responsible for paying the interest during all periods, starting from the date of the first loan disbursement. You can choose to either pay it as it accrues (for example, while you are in school or during your grace period), or let it accrue and be added to the principal balance of your loan. This is called “capitalization.”

Capitalization increases your loan principal balance and you will then have to pay interest on the increased loan principal amount. If you allow interest to be capitalized, the total amount you repay over the life of your loan will be greater than if you paid the interest as it accrued.

The following chart is an example of capitalization. It shows the difference in the total amount you would repay on a \$15,000 Direct Unsubsidized or Grad PLUS Loan if you pay the interest as it is charged during a 12-month deferment or forbearance period, compared to the amount you would repay if you do not pay the interest and it is capitalized.

Capitalization of Interest:	If you pay the interest as it is charged...			If you do not pay the interest as it is charged...		
	2.75%	4.30%	5.30%	2.75%	4.30%	5.30%
Loan Amount	\$10,000	\$15,000	\$15,000	\$10,000	\$15,000	\$15,000
Capitalized Interest for 12 Months	\$0	\$0	\$0	\$275	\$645	\$795
Principal to be Repaid	\$10,000	\$15,000	\$15,000	\$10,275	\$15,645	\$15,795
Monthly Payment (Standard Repayment Plan)	\$ 95	\$154	\$161	\$98	\$161	\$170
Number of Payments	120	120	120	120	120	120
Total Amount Repaid	\$11,449	\$18,482	\$19,357	\$11,764	\$19,277	\$20,383
Total Amount Saved During Repayment*				\$315	\$795	\$1,026
Net Amount Saved (accounting for prepaid interest)				\$40	\$150	\$231

*Calculated by subtracting the total repaid when interest paid as it accrued from total repaid when not.

Effect on Eligibility for Other Aid

Accepting a loan may affect your eligibility for other forms of financial aid, so you should check with your school's financial aid office about your eligibility for private and federal non-loan aid before accepting a loan. Identifying non-loan sources of financial assistance such as grants, scholarships, and other aid that you will not be required to pay back is a major factor in minimizing the total cost of your education.

What is Halftime Status?

You must be enrolled at least half-time to receive a Direct Loan. For undergraduate students, federal regulations set the following minimum standards for half-time enrollment:

- At schools that measure academic progress in credit hours and use semesters, trimesters, or quarters, half-time is at least six semester hours or quarter hours per term.
- At schools that measure academic progress in credit hours but do not use terms, half-time is at least 12 semester hours or 18 quarter hours per academic year.
- At schools that measure academic progress in clock hours, half-time is at least 12 clock hours per week.
- At schools that measure academic progress in credit hours and use terms other than semesters, trimesters, or quarters, the minimum number of credit hours for half-time enrollment is determined based on the number of weeks of instructional time in the term, the number of weeks of instructional time in the program of study's academic year, and the number of credit hours in the program's academic year.

These are the minimum requirements for half-time enrollment. Schools may choose to define half-time enrollment based on a higher number of credit or clock hours than the minimum standards shown above, and a school's half-time enrollment standard may be different for summer school. Your school can tell you if its definition of half-time enrollment is different from these minimum standards. These minimum standards apply only to undergraduate students. If you are a graduate or professional student, the definition of half-time enrollment is determined by your school.

If you drop below half-time enrollment:

- The six-month grace period will begin on a Direct Subsidized Loan or Direct Unsubsidized Loan. If you resume enrollment on at least a half-time basis before the end of the six-month grace period, your loan will return to "in-school" status and you will be eligible for a full six-month grace period when you leave school or drop below half-time enrollment again.

What if You Withdraw From School?

Regardless of whether you are leaving temporarily, transferring to another school, or withdrawing permanently, it is critical that you contact your school's admissions and financial aid offices to ensure that all necessary parties are aware of your withdrawal. This will allow them to provide you with the required Exit Counseling for your loan(s) to ensure you are prepared for repayment.

National Student Loan Data System (NSLDS)

NSLDS is the U.S. Department of Education's central database for student aid. It receives data from schools, agencies that guaranty loans, the Direct Loan program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and grants that are tracked through their entire cycle, from aid approval through closure.

You can access NSLDS at: www.nslds.ed.gov. If you have any difficulties you can return to the iGrad website to review the iGrad NSLDS tutorial video and ["How To" PDF](#) or use the FAQ section of the NSLDS website. The Federal Student Aid Information Center at 1-800-4-FED-AID/TDD 1-800-730-8913 is available 8AM to Midnight (Eastern Time), Monday through Friday, and 9AM to 6PM (Eastern Time), on Saturday.

You will need your Federal Student Aid ID to access NSLDS. If you need an FSA ID or have forgotten your FSA ID you can get assistance online at: fsaid.ed.gov

Time Limitation on Direct Subsidized Loan Eligibility for First-Time Borrowers on or after July 1, 2013

Commonly referred to as the 150% rule, first-time borrowers on or after July 1 of 2013 are limited to receiving eligible loans for a maximum of 150% of the length of their program. For example you may only receive eligible loans for up to a maximum of 6 years if your degree program is 4 years. $4 \text{ years} \times 150\% = 6 \text{ years maximum}$.

For further detail on all of the aspects that may affect you please [read the detailed document](#) covering the maximum eligibility period to receive Direct Subsidized Loans, periods that count against your maximum eligibility period, effect of borrowing while enrolled part-time, loss of eligibility for additional Direct Subsidized Loans and becoming responsible for paying interest on Direct Subsidized Loans, and more.

Questions on Your Loan(s) Terms and Conditions or Your Rights and Responsibilities?

If you have questions about the borrower's rights and responsibilities or the terms and conditions of your loan(s), you may contact:

- Applicant Services
U.S. Department of Education
Attn: COD Applicant Services
P.O. Box 9002
Niagara Falls, NY 14302
- Phone: 1-800-557-7394

Your school's financial aid office can also assist you if you have questions about the borrower's rights and responsibilities or the terms and conditions of your loan(s).