

CAREER POINT COLLEGE STUDENT FINANCIAL AID

EXIT INTERVIEW FEDERAL YEAR 2010-2011

Dear Student:

As you prepare to leave school, we want to emphasize again the rights and responsibilities you have regarding your student loan/s. Repaying your student loan will start you on the road to good credit. With good credit you will be able to borrow money or receive credit cards. If you are not responsible regarding repayment of your student loan/s, many of the good things you have worked for may be denied you.

FEDERAL DIRECT LOAN PROGRAM

The Federal Direct Loan Program consists of three (3) loan programs: Federal Direct Stafford Loans, Federal Direct Parent Loans, and the Federal Direct Unsubsidized Loans for Students. **THESE ARE LOANS AND MUST BE REPAYED.** The Department of Education may use outside agencies to service these loans. Lenders also sometimes sell their loans to other lenders. If the lender sells your loan/s or uses an outside servicing agency, you will be informed; nevertheless, you will still be responsible for the repayment of your loan. If the Lender does sell your loan or you receive notice that an outside agency has been given the responsibility to service your loan and you have any questions, contact the new lender, the service agency, or Career Point's Cohort staff.

When you borrow a federal student loan, you have certain rights and responsibilities. You have the right to have the payments on your loan deferred if you meet certain requirements. Each of the loan programs has different deferment provisions. To determine what provisions apply to your particular loan, contact your lender of Career Point's Cohort staff. Below is a list of deferment options.

You may have your payments postponed if:

1. you are at least in half time study at an eligible school
2. you are seeking and unable to find full-time employment (payments may be deferred for up to two (2) years during those periods)
3. you can demonstrate to the lender you have economic hardships (payment may be deferred for up to one year (1) during those periods)

In order to obtain a deferment, you should contact your lender and fill out the proper forms. You must continue to make payments until notification and approval of the deferment is received. You may also contact the school's Cohort Staff so we can provide you with assistance in obtaining your deferment.

You have a responsibility to contact your lender if you move, change your address, change your telephone number, or cannot make your payments when due. If you cannot make your payments, your lender may grant you forbearance. A forbearance is a way to temporarily postpone or reduce payments; however, you are still responsible for paying the interest on the loan during this period. If you need a forbearance, contact your lender or contact Career Point's Cohort staff so we can assist you.

You have some options for repaying your student loan/s, depending on your circumstances. You can ask the lender to combine this student loan with any other Federal Student Loans you may have when determining the repayment amount. If you are married, you may have your student loan/s and your spouse's student loan/s considered together when determining your repayment amount.

If you do not make your payments, you will be in **default** on your loan/s. If you default on your student loan/s, not only will you have to repay the loan/s, but you will also have to pay collection charges, and possibly attorney's fees. These fees can be substantial. To be sure you understand the impact of defaulting on a Federal Student Loan, we have attached to this letter a list of the possible consequences to you if you default. We will ask you to sign this list and a copy of this signed form will be kept in your permanent school file.

FEDERAL DIRECT SUBSIDIZED LOAN PROGRAM

Our records indicate that you have borrowed \$ _____. We believe your payment schedule will be approximately \$_____ per month for approximately _____ months. This is a typical repayment schedule, assuming minimum payment. The lender may establish a different repayment schedule.

Repayment begins six (6) months after you graduate or leave school. Your minimum monthly repayment will be at least \$50.00. The amount of your payments will be determined by your lender and will depend on the amount of your debt and your ability to pay. You must repay the entire loan within ten (10) years. The interest rate on the Federal Stafford Loan is 4.5% fixed rate.

FEDERAL DIRECT UNSUBSIDIZED LOANS FOR STUDENTS

The interest rate on the Federal Unsubsidized Loan is 6.8% fixed rate. All interest must be paid by the borrower. Unsubsidized loans have a six (6) month grace period **on principal only**. Our records indicate that you borrowed \$ _____. We estimate that your monthly payment will be \$53.00 for approximately 84 months.

REFUND POLICY

In the event that a student terminates his/her enrollment, a refund will be made in accordance with the school's refund policy as defined in the enrollment agreement and in the school's catalog.

If a refund is due and the student received Federal Financial Assistance, the refund will be applied in the following order:

1. Outstanding balances on FEEL Program Loans
 - a. Unsub
 - b. Sub (Stafford)
2. Unsubsidized Federal Direct Stafford Loans
3. Subsidized Federal Direct Stafford Loans
4. Federal Perkins Loans
5. Federal Plus
6. Federal Direct Plus
7. Federal Pell Grants
8. Federal SEOG Program
9. Other Title IV grant or loan assistance
10. The student

PERSONAL FINANCIAL MANAGEMENT

The school believes students need to be aware of the responsibility they are undertaking when they incur debt to finance their education. In order to help you make a sound decision, attached to this letter is a description of typical current costs and expected income upon graduation from Career Point. In these costs we have included the cost of repaying your student loan. **THESE COSTS AND EXPECTED INCOMES ARE ONLY ESTIMATES; ACTUAL COSTS AND INCOMES COULD VARY CONSIDERABLE FROM THESE ESTIMATES.**

Hopefully you will find this information helpful. If you have any questions, please feel free to ask any of the school's SFA and Graduate Assistance staff for help.

Although the operational hours of the school's SFA office are posted on the bulletin board, you are encouraged to make appointments. In that way the SFA staff can be sure to allow adequate time to answer all your questions.

Sincerely,

Kim Murgia
School Director

Rev. 03/09

LENDER NOTIFICATION

PLEASE TYPE OR PRINT, DETACH FORM AND ENCLOSE IN AN ENVELOPE ADDRESSED TO YOUR LENDER.

Name of borrower: _____ SS# _____

Street Address: _____ City/State/Zip: _____

Area Code and Telephone Number

CHECK THE APPROPRIATE LINE AND FILL IN THE REQUESTED INFORMATION.

_____ I am no longer enrolled in school at least half time. My approximate last date of at least half time enrollment was _____.

_____ I have changed my name from _____ to _____

_____ I have changed my current address from _____ to _____

_____ I have changed my permanent address from _____ to _____

_____ I have changed schools from _____ to _____

.....
SCHOOL/ BORROWER COUNSELING FORM

PLEASE TYPE OR PRINT ALL REQUESTED INFORMATION, DETACH FORM AND RETURN TO THE FINANCIAL OFFICE AT YOUR SCHOOL.

I HAVE RECEIVED INFORMATION ON REPAYING MY EDUCATION LOANS AND DEBT MANAGEMENT STRATEGIES FROM:

Name of School: _____ Date: _____ Signature: _____

Name of Student: _____ Social Security Number: _____

Address you may be reached at after leaving school: _____

City/State/Zip: _____

Telephone Number

Permanent Home Address (if different): _____ City/State/Zip: _____
