WHAT WILL YOU LEARN TODAY?

Objectives

- General information about federal student loans
- Understand your rights and responsibilities as a student loan borrower
- Know what to do when it’s time to repay
MANAGING YOUR STUDENT LOANS

Master Promissory Note (MPN) – The MPN is a binding legal agreement.

Entrance Counseling (EC) – Entrance counseling explains the obligations you agree to meet as a condition of receiving a Direct Loan.

How do I complete the MPN and EC process?

Log in into www.studentloans.gov using your Federal Student Aid (FSA) ID.

- Select “Complete MPN” located under Master Promissory Note.

Complete MPN for Subsidized/Unsubsidized Stafford Loan and PLUS/Graduate PLUS

- Select “Student Type” (Undergraduate or Graduate/Professional)

Use of another person’s FSA ID constitutes fraud. Use only your own FSA ID information.
FEDERAL DIRECT SUBSIDIZED/UNSUBSIDIZED STAFFORD LOAN
(UNDERGRADUATE STUDENTS ONLY)

- Interest Rate
  - Currently 4.29%. Based on 10-year Treasury bond yield plus 2.05%. Interest rate not to exceed 8.25%.
  - Subsidized up to $3,500 FR; $4,500 SO; $5,500 JR/SR. Additional unsubsidized up to $2,000.
  - An origination fee of 1.068% will be deducted from each disbursement for loans first disbursed on/after October 1, 2015 but before October 1, 2016.
  - Student must maintain at least half-time enrollment status (i.e. at least 6 credits/points).
  - Dependent -$23,000/$31,000 combined (Subsidized and Unsubsidized).
  - Independent - $23,000/$57,500 combined (Subsidized and Unsubsidized).
  - 10 years. Many other options available:
    http://studentaid.ed.gov/repay-loans/understand/plans

- Annual Limit
- Fees
- Eligibility
- Aggregate Limit
- Standard Repayment Term
FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOAN 
(Graduate/Professional Students)

- Interest Rate
  - Currently 5.84%. Based on 10-year Treasury bond yield plus 2.05%. Interest rate not to exceed 9.50%.
- Annual Limit
  - Up to $20,500 for Graduate/PG; average of $40,500 for DDS.
- Fees
  - An origination fee of 1.068% will be deducted from each disbursement for loans first disbursed on/after October 1, 2015 but before October 1, 2016.
- Eligibility
  - Student must maintain at least half-time enrollment status (i.e. at least 6 credits/points).
- Aggregate Limit
  - Graduate/PG $65,500 Subsidized Stafford; $138,500 combined (Stafford and Unsubsidized).
  - DDS - $65,500(Stafford); $224,000 combined (Stafford and Unsubsidized).
- Standard Repayment Term
  - 10 years. Many other options available:
FEDERAL DIRECT PLUS LOAN
(UNDERGRADUATE AND GRADUATE/PROFESSIONAL STUDENTS)

- Interest Rate
  - Currently 6.84%. Based on 10-year Treasury bond yield plus 4.60%. Interest rate not to exceed 10.50%.

- Annual Limit
  - Up to full cost of education, minus other financial aid received.

- Fees
  - An origination fee of 4.272% will be deducted from each disbursement for loans first disbursed on/after October 1, 2015 but before October 1, 2016.

- Eligibility
  - Student must maintain at least half-time enrollment status (i.e. at least 6 credits/points).

- Aggregate Limit
  - There is no aggregate limit but loan is credit-based, borrower can not have adverse credit.

- Standard Repayment Term
  - 10 years. Many other options available:
    http://studentaid.ed.gov/repay-loans/understand/plans
ADVERSE CREDIT HISTORY

Definition:

- Adverse Credit Conditions include but are not limited to:
  - Bankruptcy (Chapters 7, 11, or 12 within the past 5 years).
  - Voluntary surrender within the last 5 years.
  - Repossession within the last 5 years.
  - Foreclosure proceedings started.
  - Foreclosure within the last 5 years.
  - Deed in lieu of foreclosure.
  - Accounts currently 90 days or more delinquent.
  - Collection accounts (open or closed) that have been placed in collection during the two years preceding the date of the credit report with a balance greater than zero.
  - Charge off/write-off accounts (open or closed) that have been charged off during the two years preceding the date of the credit report with a balance greater than zero.
  - Wage garnishment within the last 5 years.
  - Defaulted loan that has been claim paid.
  - Lease or contract terminated by default.
  - County/State/Federal tax lien, within the past 5 years.
Does my debt to income ratio, credit score, or employment status count against me?

- These factors are not taken into account when your credit history is reviewed. A lack of credit is not considered adverse credit.
YOUR RIGHTS AND RESPONSIBILITIES

As a borrower, You have the Right To:

- Repay your loan in full at anytime without penalty
- A grace period before the start of repayment
- Be notified in writing if your loans are sold to another servicer
- Defer repayment for a specific period of time, if you qualify
- Receive a copy of your MPN
- Receive a disclosure statement
- Receive documentation when your loan is paid in full
As a borrower, You Must

- Complete loan exit counseling before you leave school or graduate
- Repay your loan, even if you don’t complete your degree, are unhappy with your education or can’t find a job in your field
- Notify your loan servicer if you change your name, address, or telephone number
- Contact your loan servicer if you cannot make a payment
Know what you borrowed:

- Know the details of each loan
- Know how much you borrowed
- Know your interest rate
- Keep copies of everything in one designated location
- Keep up-to-date on your loan history with your servicer’s on-line account service
  - Access your servicers contact and federal loan information on National Student Loan Data System
Dental Loan Calculator (DLOC)

- The Association of American Medical Colleges/American Dental Education Association (AAMC/ADEA) Dental Loan Organizer and Calculator (DLOC) provides a secure location for dental school students and residents to both organize and track student loans. The tool also runs repayment scenarios based on an individual's career plans following dental school, including any plans for advanced dental education. DLOC was modeled after the AAMC's Medloans® Organizer and Calculator (MLOC), first introduced in 2010 as a tool for medical school students and residents.

**Getting Started**

- To access the Dental Loan Organizer and Calculator, go to [www.AAMC.org/GoDental](http://www.AAMC.org/GoDental).
- Follow the simple instructions on the Home Page for first time users.
- You can manually enter your student loan data or you can choose to export any federal loans you already have that are listed at [www.NSLDS.ed.gov](http://www.NSLDS.ed.gov) into the Dental Loan Organizer and Calculator.
WHEN IT’S TIME TO REPAY

What should you do:

Always notify your servicer right away when your contact information changes.

If you need to temporarily defer your payment:

- Deferments will postpone your payments, if you meet certain criteria

- Forbearances will either postpone or reduce your monthly payment, if you meet certain criteria
  - Interest will accrue on all loans (interest may be tax deductible, to see if you qualify, visit www.irs.gov)
WHEN IT’S TIME TO REPAY

What should you know

- Deferment Options
  - In-school
  - Economic hardship
  - Unemployment

- Repayment Options
  - Standard
  - Graduated
  - Income Contingent
  - Income Based Repayment
  - Extended
  - Pay as you earn
FEDERAL LOAN FORGIVENESS OR DISCHARGE

- Loan forgiveness programs
  - Federal government repays a portion of your loans
- Loan discharge (cancellation)
  - Identity theft
  - Death of borrower
  - Total and permanent disability of borrower
  - School closure (in certain situations)

Contact servicer for more information about these situations
Loan Forgiveness Program for Public Service

- If you are employed in certain public service jobs and have made 120 payments on your Direct Loans (after Oct. 1, 2007), the remaining balance that you owe may be forgiven. Only payments made under certain repayment plans may be counted toward the required 120 payments. You must not be in default on the loans that are forgiven.

  - Must be working for 10 years in Public Service as defined by the Department of Education
  - (visit [http://studentaid.ed.gov](http://studentaid.ed.gov) for more information)
  - Must be in repayment, in the Direct Loans program
  - Must be making payments for 10 years, then remaining loan is forgiven if you qualify
PUBLIC LOAN FORGIVENESS

- Will I automatically receive PSLF after I’ve made 120 qualifying monthly payments?
  - No. After you make your 120th qualifying monthly payment, you will need to submit the PSLF application to receive loan forgiveness. The application is under development and will be available prior to October 2017, the date when the first borrowers will become eligible for PSLF. You must be working for a qualified public service organization at the time you submit the application for forgiveness and at the time the remaining balance on your loan is forgiven.

- Note that loan amounts forgiven under the PSLF Program are not considered income by the Internal Revenue Service. Therefore, you will not have to pay federal income tax on the amount of your Direct Loans that is forgiven after you have made the 120 qualifying payments.
RESOURCES

- Federal Student Aid
  https://studentloans.gov/myDirectLoan/index.action?bypassSignInButton=true#

- National Student Loan Data System
  https://www.nslds.ed.gov/nslds/nslds_SA/

- Dental Loan Calculator
  https://www.aamc.org/services/fao-first/godental/
CONTACT INFORMATION

Office of Student Financial Services

Address: 433 First Avenue between 25th and 26th Street – Suite 125
Hours: Monday – Thursday 9-2 then 3-4:45; Friday (walk-in) 9-1
Phone: 212-998-9830
Fax: 212-995-4240
Email: dental.financial.aid@nyu.edu

Joanne Dunbar
Associate Director, Financial Aid & Support Services

Tanya Cunningham
Manager, Student Financial Services