

Summer 2017 Federal Direct Loan Change Request Form

The Financial Aid Office has awarded you a Federal Direct Subsidized and/or Unsubsidized Loan. The maximum amount you are eligible to borrow can be viewed on Web Advisor. **You must complete the items below to change the loan amounts you were awarded.** Please remember, you may only **lower** these amounts.

GENERAL FEDERAL DIRECT LOAN INFORMATION CAN BE FOUND ON THE REVERSE SIDE OF THIS FORM

Student Name (Print)

Student ID # (if known) or Social Security Number

Per Federal regulations, the Financial Aid Office is required to reduce Unsubsidized Loans to zero before reducing Subsidized Loans.

Requested Loan Amount*:

\$ _____ ***Summer Semester***

*Note there is a 1.068% processing fee on all Subsidized and Unsubsidized Loans. Loan changes cannot be made after 14 days of federal disbursement.

I understand by signing this change request form and my Master Promissory Note, I am agreeing to repay funds borrowed through the Federal Direct Loan Program. I understand my rights and responsibilities as a borrower. I have read the back side of this form.

Student Signature

Date



**NORTHWOOD
UNIVERSITY**

Office of Financial Aid

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Northwood University is committed to a policy of nondiscrimination and equal opportunity for all persons regardless of race, gender, color, religion, creed, national origin or ancestry, age, marital status, disability or veteran status. The university also is committed to compliance with all applicable laws regarding nondiscrimination.

TYPES OF FEDERAL DIRECT LOANS

SUBSIDIZED: A Federal Direct Loan for which interest is paid by the federal government during in-school, grace and authorized deferment periods. Students begin to pay principal and interest on a subsidized loan only after a 6-month grace period expires.

UNSUBSIDIZED: A Federal Direct Loan for which the borrower is responsible for all interest payments for the life of the loan. Students enrolled at least half time (6 credit hours undergrad and 3 credit hours graduate program) may choose to postpone interest payments on an unsubsidized loan until repayment begins.

PROCESSING FEES

All Federal Direct Loans are subject to origination fees that are deducted from your loan proceeds at the time of disbursement. Beginning with loans for which the first disbursement of principal is made on or after October 1, 2014 *there is a 1.068% loan origination fee.*

INTEREST RATES

The Federal Direct Loans = **Undergraduate** (subsidized and unsubsidized) first disbursed on or after July 1, 2015, have a fixed interest rate of 4.29%.

The Federal Direct Loans = **Graduate** (unsubsidized) first disbursed on or after July 1, 2015, have a fixed interest rate of 5.84%.

ENROLLMENT STATUS

All Federal Direct Loan borrowers must maintain a minimum of half time enrollment (6 hours for undergrad and 3 hours for grad). Otherwise, the U.S. Department of Education will place the student in his/her grace period in preparation for repayment.

COUNSELING

First time Federal Direct Loan borrowers are required to complete Entrance Loan Counseling before receiving funds. Entrance Loan Counseling is available online at <http://studentloans.gov>.

LOAN DISBURSEMENTS

Federal regulations require multiple disbursements. These disbursements are normally made at the beginning of each semester.

LOAN SERVICER

If you are unsure which organization holds your education loans, go to the National Student Loan Data System (NSLDS) Student Access Web site, www.nsls.ed.gov.

OMBUDSMAN'S OFFICE

The U.S. Department of Education has a Student Loan Ombudsman's Office. This office was established to help formally resolve disputes between borrowers and their schools, guarantors, and loan servicers, when all other efforts have been exhausted. For more details, visit <http://www.ombudsman.ed.gov>.

IF BORROWING IS NECESSARY

Northwood urges you to borrow conservatively. Only borrow what you need to achieve your educational goal. Please contact the Business Office to discuss your out-of-pocket expenses.