

Loan Counseling Information

FEDERAL STAFFORD LOAN (Subsidized only)

A Federal Stafford Subsidized Loan is a fixed interest loan made to students enrolled in an eligible program who are attending school at least half-time. The subsidized loan is a need based program and the government pays the interest during in-school status, grace periods and authorized deferment periods. A lender such as a bank, credit union or savings and loan association makes loans. These loans are insured by the state guarantee agency and reinsured by the federal government. Student loan recipients must complete a master promissory note and submit it to their lender. Repayment begins six months after a student leaves school or drops below a half-time enrollment. Before the loan enters repayment, the lender will send the student a repayment schedule which outlines the total principal, amount of interest expected to accrue over the life of the loan, monthly payment amount and the date the payment is due. The maximum repayment is ten years. There is a minimum payment of \$50 per month, but may be higher, depending on the outstanding balance.

For example: Student borrows \$3,000 the first year and \$4,500 the second year for a \$7,500 total.

This student will pay approximately \$85 per month for 120 months on a regular ten year repayment plan. Income-sensitive, graduated or extended repayment plans are repayment options offered by lenders. If the student does not receive a repayment schedule, he or she is still responsible for repaying the loan. It is the student's responsibility to provide his or her lender with a current address and phone number. It is important that students stay in contact with his or her lender. Students should contact their lender for information regarding the terms of their student loan. Repayment of the principal balance may be postponed through different types of deferments or a forbearance. Students should contact his or her lender/servicer for deferment and/or forbearance information. Student loans must be repaid. Failure to do so will result in severe consequences.

A student can borrow subsidized loans not to exceed the annual loan limits. Loan limits for freshmen are \$3,500 per year, sophomores, \$4,500 per year. For loan purposes, a student's classification will be determined by the number of hours completed towards his or her selected degree or certificate at the time of initial certification. A student's classification will not be reevaluated until the beginning of the next academic year (fall through summer). A student who transfers in the middle of an academic year and has received his or her annual loan limit while at the transfer institution will not be eligible for a loan until the beginning of the next academic year. In accordance with federal regulations, PJC has the right to refuse to certify a loan or to certify for a reduced amount. If a student fails to repay their student loan, the student will be referred to the Federal Government for collection.

Federal regulations require that students interested in the loan program must complete the Free Application for Federal Student Aid and provide the Financial Aid Office any other requested documentation. In addition, borrowers must complete entrance loan counseling and testing before receiving a loan each academic year. Exit loan counseling and testing are required before the student ceases at-least-half-time enrollment. Once the student completes counseling, confirmation is sent to the PJC Financial Aid Office. Borrowers have a right to cancel all or a portion of the loan or loan disbursement and have their proceeds returned to the lender. PJC will send a notice to the borrower no earlier than 30 days before and no later than 30 days after the school credits the student's account. The notice will include the method and date by which the borrower must notify the school that he or she wishes to cancel all or a portion of the loan or loan disbursement.

PJC does not participate in the Federal Unsubsidized Student Loan, Perkins Loan, National Direct Student Loan, Hinson-Hazlewood Loan Program, HEAL Loan Program, HELP Loan Program and the CAL Loan Program or Parent Plus.

LOAN Entrance Requirement Instructions Completing an award for a Stafford Loan via TG Loans By Web™

IMPORTANT: You *must* complete the FAFSA, be processed and awarded a student loan by the Financial Aid Office at Paris Junior College. Then return your award letter to accept your loan and allow one week for certification by school before you can begin this process.

Your school and TG have teamed up to provide a Web-based application for Stafford student loans. This online application - TG Loans By Web™ - guides you through the process of obtaining a loan. Here's what you can expect.

Keep In Mind

- You can only receive a loan by completing an application through TG Loans By Web. If you do not have access to a computer with an Internet connection, contact your school's financial aid office or TG. Refer to the contact information below.
- If this is your first Stafford student loan, you have to complete entrance counseling online or in person.
- Be prepared to provide the name, address and phone number of two references.
- Provide a valid e-mail address to ensure the prompt delivery of your loan information.
- Download Adobe Acrobat to print your Master Promissory Note (MPN), the Borrower's Rights and Responsibilities and Addendum. Download it for free at <http://www.adobe.com>.
- You have the option to electronically sign (E-Sign) a Master Promissory Note (MPN) with certain lenders. To do so, obtain a Department of Education personal identification number, or PIN, at <http://www.pin.ed.gov>.

- Do not send signed MPNs to your school. Your school is notified of your loan electronically.
- Understand that TG communicates important loan processing information via e-mail. Promptly read and act upon e-mails from TG (Texas Guaranteed) and TG Customer Assistance (cust.assist@tgslc.org).

Instructions

- Open your Web browser and go to TG Loans By Web™ at <https://lbw.tgslc.org>.
- Select the appropriate radio button: “I am an Undergraduate Student Borrower” or “I am a Graduate Student Borrower.”
- Log in using your Social Security Number and date of birth.
- Entrance counseling: If this is your first Stafford student loan, you may be prompted to complete online entrance counseling. To do so, click Entrance Counseling. When you complete counseling, write down the confirmation number for future reference. Follow the prompts on the screen, and then continue with the TG Loans By Web™ process.
- On the Main Menu, select Complete a Loan Award. Select an award under Option 1. Update your Personal Information.
- Enter information for your References, including addresses and phone numbers.
- Select your Lender. Your school provides the list of preferred lenders. Lenders that accept electronic signatures for loans are designated with an asterisk.
- Review your Loan Award Information. Fill in the necessary fields. Click Previous to make changes to the other screens.
- Select whether you want to “Print the application packet on your local printer or E-Sign,” or have “TG mail the application packet to you.” Click Submit.
- Verify the information on the Submit screen. Click Guarantee to submit the award.
- Follow the instructions on the Result screen. If you selected an E-Sign lender, click on the link(s) provided to sign your Master Promissory Note (MPN).
- If you did not E-Sign for the loan, sign, date, and mail one copy of your printed MPN — included in your application packet — to your lender. Your lender will not release your loan funds until it receives your signed MPN. If you already signed a MPN for this lender, you may not have to sign another note.
- If you have another award to complete, click Back or Main Menu. If not, Logout.

Help

TG
P.O. Box 83100
Round Rock, Texas 78683-3100
Phone: (800) 845-6267

LOAN Exit Counseling Information

Whether you are graduating, leaving school, or no longer enrolled at least half-time, you will soon be facing an important responsibility: repaying your student loans. Repaying your student loans on time will be one of the smartest decisions you will ever make; it will help you establish a good credit history and put you on track to securing a sound financial future. Mapping Your Future provides information that will help you manage your student loan debt and repay your loans on time. You will be reminded of your rights and responsibilities as a Federal Stafford Loan borrower and offered tips on budgeting and selecting a repayment plan. A special emphasis will be placed on staying in touch with your lender/servicer in order to avoid the terrible consequences of default. You'll be able to test your knowledge as you progress through the session. You'll need to answer each question correctly before you can continue.

Click the following URL to get started.

<http://mappingyourfuture.org/oslc/counseling/schoolPages.cfm?SchoolPageID=7264&SchoolID=2004747>