



Dear Student:

Taking out a student loan is a very serious commitment that requires your careful consideration. The SCC Financial Aid Office encourages you to borrow only if it is absolutely necessary. Stafford Loans can be used towards the total cost of education - tuition, room and board, books and other education-related expenses. If you plan to further your education at a four-year college after SCC, it is important that you save loan eligibility for later when your education costs will be higher.

There are several things you can do to avoid borrowing. They might include:

- ◆ Making a conservative budget and sticking to it.
- ◆ Lowering expenses by finding a roommate, reducing transportation costs, cutting entertainment spending, etc.
- ◆ Working a part-time job and/or attending school part-time instead of full-time.

If you do need to request a student loan, you must follow these steps. Do not skip any steps. We will not process your loan request until all four steps are completed. Approximate completion time is 2 hours. After you have completed all four steps, turn in your Financial Literacy Course Completion Certificate and your Student Loan Request Form (Steps 1 and 4 below) to the Financial Aid office.

1. Complete the Financial Literacy Course offered by CFNC. Go to the website www.CFNC.org and select the 'Student Planner' tab, then 'Financial Literacy,' then 'Students or Parents: Launch Course.' You will be asked to log in. If you are a new user to CFNC, you will be required to establish an account. After you have logged in, begin the course. You must print your certificate of completion once you have completed the entire course. You must provide the financial aid office with a copy of the completion certificate before your loan will be certified for disbursement.
2. If you are a **first time borrower at SCC**, you must complete Loan Entrance Counseling. Go to the website www.mappingyourfuture.org and select link 'On Line Student Loan Counseling,' then 'Stafford Entrance.' We will be notified when you complete your counseling.
3. Select your lender and complete a **Master Promissory Note (MPN)**. See the Lender List on the next page for information on how to select a lender. If you completed an MPN with your lender in a prior year, you will probably not need to complete another MPN, but your lender may ask you to process a request for new funds.
4. Fill out the enclosed **Student Loan Request Form** completely and return it to the SCC Financial Aid Office. Be sure to carefully and accurately complete the form.

Normally, approved loan processing will take about two weeks. However, during peak times it may take longer. If your loan is processed before the start of the semester, you will be allowed to charge tuition and fees, and books from the SCC Bookstore to your loan funds. You will need to make arrangements to pay for your tuition and books if your loan cannot be processed before the semester starts. After payment of tuition and books, excess funds will be released approximately six weeks after classes start.

Be sure that you plan to enroll at least half-time (6 credit hours a semester) before you request a student loan. Finally, if you fail to make Satisfactory Academic Progress, future student loan disbursements may be cancelled.

After carefully reading this material and going to the above websites, feel free to call me on ext. 315 if you have further questions.

Sincerely,

Suzanne Gregory

Suzanne Gregory

Financial Aid Officer

Sample lender information for Stafford loans and PLUS (parent) loans for SCC borrowers

The following lenders are suggested by Southwestern Community College. We have carefully considered our selections in order to provide you with the best possible list of lenders. Choose your lender based on the benefits that are the best fit for you. We chose these lenders based on the quality of products and services they provide to students and families. All offer on-line applications and electronic signing of the master promissory note. However, if you wish to use another lender that is not on this list, you have the right to do so. If you wish to use another lender, please be sure to give us complete information on how to contact them, including their six digit lender number.

Be sure to complete the full process, including signing your Master Promissory Note with whichever lender you choose. SCC will only certify your loan for disbursement when you have also completed the Loan Entrance Counseling on-line, the Financial Literacy course on CFNC, and turned in the SCC Student Loan Request form and Financial Literacy completion certificate to the Financial Aid Office as listed in Steps 1-4 on the previous page.

Lender	CFI (College Foundation, Inc.) 807037	Discover Student Loans 831312	Sallie Mae 802218	SunTrust 819873	Wachovia 830005
Lender No.	807037	831312	802218	819873	830005
Apply on-line	cfnc.org	DiscoverStudentLoans.com	SallieMae.com	suntrustededucation.com	wachovia.com/education
E-sign Loan using Dept. of Ed PIN	Yes	Yes	Yes	Yes	Yes
Call Center info	(866) 866-2362 8 am - 8 pm Mon-Thurs 8 am - 5 pm Fri	(877) 728-3030 8 am – 6pm Mon-Fri	(888) 272-5543 8 am - 8 pm Mon-Thurs 8 am – 5 pm Fri	(800) 552-3006 8:30 am - 7 pm Mon-Fri	(877) 689-0763 8:30 am - 8 pm Mon-Fri
Stafford loan rates* (for in-school, grace, or deferment periods)	Subsidized 5.60% Unsubsidized 6.80%	Subsidized 5.60% Unsubsidized 6.8%	Subsidized 5.60% Unsubsidized 6.80%	Subsidized 5.60% Unsubsidized 6.80%	Subsidized 5.60% Unsubsidized 6.80%
Stafford loan fees and benefits	<ul style="list-style-type: none"> • 0% Origination Fee • 0% Federal Default Fee • .25% additional rate reduction with auto debit payments and e-statements 	<ul style="list-style-type: none"> • .50% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments and e-statements • 	<ul style="list-style-type: none"> • .50% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments 	<ul style="list-style-type: none"> • .50% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments 	<ul style="list-style-type: none"> • .50% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments
PLUS loan rates*	8.50%	8.50%	8.50%	8.50%	8.50%
PLUS loan fees and benefits	<ul style="list-style-type: none"> • 3% Origination Fee • 0% Federal Default Fee • .25% additional rate reduction with auto debit payments and e-statements 	<ul style="list-style-type: none"> • 3% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments and e-statements • 	<ul style="list-style-type: none"> • 3% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments 	<ul style="list-style-type: none"> • 3% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments 	<ul style="list-style-type: none"> • 3% Origination Fee • 1% Federal Default Fee • .25% additional rate reduction with auto debit payments

* Due to different rebates and repayment incentives, you may not end up paying the actual rate stated here. See lender's information for examples and a detailed explanation of benefits.

Loan Planning STEP 2: This step is to help you estimate your repayment ability upon graduation.

Current balance on prior student loans..... \$ _____
 This student loan request..... \$ _____
 Future loans required to reach final educational goals..... \$ _____

Total projected student loan balance upon final graduation..... \$ _____

Monthly payment on total projected student loan balance..... \$ _____
(See Table on pg. 9 of Understanding Your Student Loan)
 Your projected **monthly** salary after college \$ _____
(go to www.ncesc.com for help projecting earnings)
 Student loan pmt. as % of salary..... _____ %
(monthly payment ÷ monthly salary should not exceed 8%)

Taking into consideration the results from STEP 1 and STEP 2, please indicate below the amount you have decided to request for the 2009-2010 academic year.

Requested Loan Amount \$ _____
It is possible that you may not be eligible for the full amount requested. The SCC Financial Aid Office must calculate your eligibility.

You must check one choice below:

- I wish to borrow the above amount whether I am eligible for a subsidized loan, an unsubsidized loan, or a combination of the two.
- I only wish to borrow a subsidized loan. I understand that the amount for which I am eligible may be less than the above requested loan amount.

Loan processing status:

Have you ever had a student loan before? _____ If so, where? _____
 Date online Loan Entrance Counseling (*Mapping Your Future*) completed for SCC: _____
 Who is your lender? (*Where you signed your Master Promissory Note*) _____
Give lender name and six digit lender code if known
 Date Master Promissory Note signed (*If prior year, please estimate date*) _____
 Have you ever been in default on a student loan? _____

By signing and dating below, I request the SCC Financial Aid Office begin processing a student loan in my name for the above referenced amount. I understand that this is a request for a student loan that must be repaid regardless of the outcome of my education.

✕ _____
Student Signature Date

Federal Stafford Loan Limits for Academic Year (Fall 2009 – Summer 2010)		
Dependent Student	Maximum Subsidized Amount	Annual Limit (Subsidized & Unsubsidized)
First Year (In first half of current SCC program)	\$3,500	\$5,500
Second Year (In second half of current SCC program)	\$4,500	\$6,500
Independent Student		
First Year (In first half of current SCC program)	\$3,500	\$9,500
Second Year (In second half of current SCC program)	\$4,500	\$10,500