

2009-2010 Loan Disclosure and Terms

Student Name: _____ ID#: _____

We will determine your grade level based on units completed. We will evaluate each loan request on a case by case basis. We will honor no more than two loan requests forms per student per academic year.

THE COLLEGE MUST LIMIT ITS DEFAULTED LOANS TO AVOID LOSING ALL FEDERAL FINANCIAL AID PROGRAMS.

For this reason, we may decline loan requests for "high risk" students. Therefore, your loan request may be reduced or denied if you:

- Have an undeclared major or undecided educational goal.
- Are not enrolled in a Title IV eligible program of study (16 or more units in length).
- Are not making steady progress towards a degree, certificate or transfer program.
- Are not currently making satisfactory academic progress or have a history of not making satisfactory academic progress.
- Have already borrowed the maximum appropriate for Cabrillo College programs (We suggest \$17,000 - including student loan debt from other colleges you have attended).
- Have loans that were delinquent or in default.

STUDENT BORROWERS OBLIGATIONS AND RESPONSIBILITIES

- Federal Loans are not grants. I must repay them.
- Federal Loans must be used for educational expenses only.
- I understand that a 1.5% fee will be deducted from each check.
- I understand that the interest rate is fixed at 5.6% for Subsidized Loans.
- Interest on Subsidized Loans is paid by the taxpayers while I am enrolled in and complete at least six units (half time) each semester.
- I understand that the interest rate is fixed at 6.8% for Unsubsidized Loans.
- I must pay the interest on Unsubsidized Loans while I am in college, or I may have it added to the principal (this increases the amount I must repay).
- I must begin repaying the loan six months after I graduate, withdraw, or drop below half time status.
- I must be enrolled in and attending six or more degree applicable units to receive my loan funds.
- If I do not pass at least six units each semester with a 2.0 GPA, I will lose loan eligibility for the following semester and my remaining loan disbursements will be canceled.
- I need to complete a Loan Exit Exam to receive the second disbursement of my loan.
- I do not have a disability that will prevent me from obtaining gainful employment in my program of study and repaying my student loan.
- I do not have a criminal conviction that will prevent me from obtaining gainful employment in my program of study and repaying my student loan.
- My awards cannot exceed my cost of attendance (budget). If additional grants or scholarships are added after a loan has been approved, my loan amounts will be reduced to accommodate the new awards (for example: EOPS grants and vouchers, scholarships, etc).

Please sign below; your request WILL NOT be processed without your signature.

I certify that I have read, understand and agree to all of the above statements.

Student's signature: _____ Date: _____