

# FRANKLIN & MARSHALL

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## Congratulations on completing your Free Application for Federal Student Aid (FAFSA)! Now, it's time to apply for your Federal Stafford Loan. We've made it easy.

At F&M we believe you should have choices, after all college is an investment in your future. Please review your lender choices below and decide if one of these is the best fit for you.

Please know you do not have to choose from the lenders provided, as you may choose any lender you wish. All of our recommended lenders offer ZERO Up-Front Fees (many lenders charge an origination fee and a Federal Default Fee). This means you will receive the entire loan amount requested. Pick your lender (this is completely YOUR decision), complete steps 1 and 2 below, and you're done!

During your first year at F&M you will be required to sign a Federal Stafford Loan Master Promissory Note (MPN) in order to apply for, and receive, a Federal Stafford Loan. The MPN was designed to simplify the loan process by eliminating the need to reapply for a Stafford Loan each year if you choose to stay with the same lender. From this point on, your financial aid award letter will show the maximum amount of Stafford Loan you are eligible to borrow.

### Step 1: Complete a Stafford Loan Entrance Counseling Session

Before we disburse your Federal Stafford Loan, we require that you complete an Entrance Counseling Session. The counseling session provides information about how to manage your student loans, both during and after college.

**Go online at [www.mapping-your-future.org](http://www.mapping-your-future.org) to complete this fulfillment. It must be completed by 8/15/07.**

### Step 2: Choose a Lender and Apply Online

#### College Loan Corporation

Lender code 833733  
[www.collegeloan.com](http://www.collegeloan.com)  
1-888-972-0852

- 0% origination fee
- 0% Federal Default Fee
- 1% principal reduction as a graduation credit
- 2% interest rate reduction after 36 consecutive, on-time payments
- 0.50% credit of the original balance after 24 consecutive, on-time payments<sup>1</sup>
- 0.25% interest rate reduction for automatic debit payments
- Upromise savings of an average of \$880 by setting up your free account at [www.upromise.com/aes](http://www.upromise.com/aes)

#### PNC Bank

Lender code 809921  
[www.pnconcampus.com](http://www.pnconcampus.com)  
1-800-762-1001

- 0% origination fee
- 0% Federal Default Fee
- 1% principal reduction as a graduation credit
- 2% interest rate reduction after 36 consecutive, on-time payments
- 0.50% credit of the original balance after 24 consecutive, on-time payments<sup>1</sup>
- 0.25% interest rate reduction for automatic debit payments
- Upromise savings of an average of \$880 by setting up your free account at [www.upromise.com/aes](http://www.upromise.com/aes)

#### Chase

Lender code 811571  
[www.chasestudentloans.com/aes](http://www.chasestudentloans.com/aes)  
1-800-487-4404

- 0% origination fee
- 0% Federal Default Fee
- 1% principal reduction as a graduation credit
- 2% interest rate reduction after 36 consecutive, on-time payments
- 0.50% credit of the original balance after 24 consecutive, on-time payments<sup>1</sup>
- 0.25% interest rate reduction for automatic debit payments
- Upromise savings of an average of \$880 by setting up your free account at [www.upromise.com/aes](http://www.upromise.com/aes)

#### College Board

Lender code 830310  
[www.collegeboard.com/educationloans/fm/index/html](http://www.collegeboard.com/educationloans/fm/index/html)  
1-800-831-5626

- 0% origination fee
- 0% Federal Default Fee
- 2% loan credit after first on-time payment\*
- 3.5% credit of the original balance after 24 consecutive, on-time payments\*
- 0.30% interest rate reduction for automatic debit payments

\*To receive these benefits, all borrowers must be enrolled in manage your loans SM, Sallie Mae's online account management tool available at [www.salliemae.com](http://www.salliemae.com) and agree to receive the account information from Sallie Mae at a valid email address. By not doing so, all borrowers forfeit all rewards.

<sup>1</sup>Benefit effective July 1, 2007.

You can even use e-signature to sign your MPN electronically. You must use your PIN number that you used to file your FAFSA. If you do not have a PIN, you can request one at: [www.pin.ed.gov](http://www.pin.ed.gov).

## What are *fees* and *interest rates*?

All of our recommended lenders offer ZERO Up-Front Fees (many lenders charge an origination fee and a Federal Default Fee). This means you will receive the entire loan amount requested, not to exceed the annual limit.

**The interest rate is set by the federal government. As of July 1, 2006 the rate for Stafford Loans is fixed at 6.8%.**

## What is the difference between subsidized and unsubsidized?

A **subsidized** Stafford Loan is awarded on the basis of need as determined by your FAFSA. The government pays the interest while the student is in school, in authorized periods of deferment, and during the grace period before repayment begins.

An **unsubsidized** Stafford Loan is available to all students regardless of income. The student is responsible for all interest that accrues. Interest payments may be made during all these periods to reduce the overall amount of money paid. It is highly recommended that you make interest payments at all times if possible.

## When will I have to *repay* the money?

Your Stafford Loan will go into repayment six (6) months after you graduate OR drop below half time enrollment. Payments are made monthly and you have ten years to repay the loan under the Standard Repayment Plan.

Keep in mind if you take a leave of absence or drop below half time, your 6 month grace period will begin ticking. You may defer your loans when you return to school at least half time.

## How will the funds be disbursed?

Your Stafford Loan will be disbursed in two equal payments (Fall and Spring) and automatically credited to your student account. The F&M Business Office will notify you in writing once the funds are received.

- ***Remember to do your Stafford Loan Entrance Counseling Session online at [www.mapping-your-future.org](http://www.mapping-your-future.org) by 8/15/07 so your funds can be disbursed to your account.*** ◀

## How much can I borrow?

	<i>Subsidized</i>	<i>Unsubsidized<sup>2</sup></i>
<i>Freshman</i>	\$3,500 <sup>3</sup>	\$4,000
<i>Sophomore</i>	\$4,500 <sup>3</sup>	\$4,000
<i>Junior</i>	\$5,500	\$5,000
<i>Senior</i>	\$5,500	\$5,000

Remember you can choose to reduce or decline the amount of Stafford Loan awarded to you. Be a smart borrower, only borrow the amount you need.

<sup>2</sup>For independent students or dependent students whose parents have been denied a Federal PLUS Loan.

<sup>3</sup>Annual loan limit effective July 1, 2007.

**College Loan**  
CLC Corporation

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**888.972.0852**  
[www.collegeloan.com](http://www.collegeloan.com) ■ Lender Code 833733

When It's Time to Choose a Lender...Choose College Loan Corporation.