

WILLIAM D. FORD FEDERAL DIRECT LOAN APPLICATION



CORNELL

2003 - 2004 ACADEMIC YEAR

Graduate School

Please type or print legibly.

() Mr. () Ms. Name: _____

Mailing address: _____

_____ effective until: _____

Your promissory note will be held for your signature in the Graduate Financial Aid Office, 155 Caldwell Hall. Promissory notes will be mailed only in very unusual circumstances and with prior arrangement.

Telephone: _____ SSN#: _____
(Permanent) (Local)

E-mail address: _____ Cornell ID Number: _____
(If Known)

Field/Dept.: _____

Degree: () Ph.D. () MA () MS () MA/Ph.D. () MS/Ph.D.
() MPS () MENG () MMH () MLA () _____
(other)

Date of first registration in Graduate School (month/year): _____ Anticipated graduation date (month/year): _____

Will you be registered In absentia? Yes _____ No _____

LOAN ASSISTANCE REQUESTED

I wish to apply for the following types of loans to the extent that I am eligible.

_____ Subsidized Federal Direct Loan _____ Unsubsidized Federal Direct Loan

\$ _____ (annual maximum \$8,500) \$ _____ (annual maximum \$18,500, less any subsidized loan)

Loan Period: 2003-2004 Academic Year: _____ Fall 2003 only: _____ Spring 2004 only: _____

If your resources should change from the information reported, you must inform the Graduate Fellowship and Financial Aid Office. This includes any employment or fellowships not reported by your field.

Tuition award already granted: \$ _____

By signing this form, I acknowledge that I have read and understand the above statements, and that the information I have provided is true and correct to the best of my knowledge.

Signature: _____ Date: _____

Forward to:
Graduate Fellowship and Financial Aid Office
Caldwell Hall, Ithaca, NY 14853-2602

FEDERAL DIRECT LOAN APPLICATION INFORMATION

The Direct Loan Program makes federal loan funds available to students directly through the University. Direct loans are available in both subsidized and unsubsidized components: subsidized loans are ones for which no interest accrues to the borrower during enrollment; unsubsidized loans are ones for which the interest accrues to the borrower during enrollment. The Federal Direct Student Loan is not an additional loan source; it replaces the Federal Stafford and SLS Loan programs at Cornell.

Application Process

1. Complete the Federal Direct Loan Application.
2. Your financial aid file **MUST** be complete. Please contact the Graduate School Office of Fellowships and Financial Aid for confirmation.
3. The Graduate School Office of Fellowships and Financial Aid Office will determine your eligibility for subsidized and/or unsubsidized funds.
4. When you come into the Graduate School Office of Fellowships and Financial Aid Office to sign your promissory notes, you will need to provide the names, addresses and phone numbers of two references.
5. Once the completed promissory note is signed, Cornell will disburse the semester's funds to your bursar account.

Eligibility and Loan Terms

- Eligibility is based on demonstrated need, as determined by our office's review of the data on your SAR.
- The interest rate varies annually but will not exceed 8.25%. (The rate is based on the 91-day Treasury bill + 3.1%, capped at 8.25%).
- Four percent of the amount you borrow will be deducted for required federal fees (origination fees).
- Maximum annual loan amounts: \$8,500 Subsidized; \$18,500 Unsubsidized (less any subsidized loan awarded). We will notify you of your eligibility.
- Aggregate borrowing limits: subsidized Direct Loans \$65,500 graduate/professional students; unsubsidized Direct Loans \$73,000 graduate/professional students.

Repayment

The Federal Direct Loan is repayed to the U.S. Department of Education via a loan servicer under contract to the Department.

Four Repayment Options

1. Standard: A fixed annual payment over a fixed period of time (\$600 annual minimum payment; ten-year maximum term)
2. Extended: A fixed annual payment over an extended period of time (\$600 annual minimum, or the amount of interest due each year, whichever is greater)
3. Graduated: Annual repayment amounts at two or more levels, paid over a fixed or an extended period of time
4. Income contingent: Varying annual repayment amounts based on the borrower's adjusted gross income over an extended period of time.

Other Important Information

- You may change the choice of repayment plans under conditions established by the U.S. Department of Education;
- Repayment may be accelerated without penalty;
- Based on exceptional circumstances, the U.S. Department of Education may establish an alternative payment schedule for the borrower.

Consolidation of Previous Stafford and/or SLS Loans

If you have already borrowed through the Federal Stafford and SLS Loan Programs, the federal government is prepared to consolidate your old loans with your Direct Loan. The terms and conditions of the consolidation loan will be favorable.