Direct Loan Debt Management Form
Unsubsidized request or debt $18,000 and over

In order to continue processing your loan request, please complete the following information and return it to the Financial Aid and Veterans Services Office. To avoid delays, be sure to complete all sections of this form.

A loan committee will be reviewing your loan request. As a result, your loan request may be denied for any of the following reasons:

- Are not in a degree or certificate program at San Joaquin Delta College.
- Are not making steady progress in a degree, certificate or transfer program.
- Are not currently meeting San Joaquin Delta College Financial Aid Satisfactory Academic Progress standards.
- Have not passed at least 67% of cumulative units attempted and a 2.00 cumulative GPA.
- Have already borrowed to a maximum appropriate for San Joaquin Delta College programs (We suggest $18,000 including student loan debt from other colleges).
- Appear to be or have been in default or delinquent on previous federal (Title IV) financial aid obligations.
- Do not complete this form accurately and thoroughly.

Obligations and Responsibilities of a Student Borrower:
(Read and initial each statement)

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I understand Federal Loans are NOT grants, I must repay this debt.

I understand that the interest rate is no higher than 6.8%.

I understand that a 1% origination fee will be deducted from each loan.

Interest on Subsidized Loans is paid by the taxpayers while I am in college.

I must pay the interest on Unsubsidized Loans while I am in college, or I may have it added to the principal which will increase the amount I must repay.

I must begin repaying the loan six months after I graduate, withdraw, or drop below half-time status.

I do not have a disability that will prevent me from obtaining gainful employment in my program of study.

I do not have a criminal conviction that will prevent me from obtaining gainful employment in my program of study.

I understand my awards cannot exceed the cost of attendance (budget). If additional grants, awards 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, CARE grant, Cal Grant, scholarships, etc.).

Debt:

You will need the total amount of your Subsidized and Unsubsidized loan debt to answer this question. Log in to the National Student Loan Data System at www.nslds.ed.gov to get the total.

What is the total principal balance of your student loan debt? * $________________________

Expected Payment Amount:

- Log in to www2.ed.gov/offices/OSFAP/DirectLoan/calc.html
- Under “Calculators and interest rates,” click the “Standard, extended and graduated repayment plan calculator” link.
- Enter the total principal balance of your loan debt in the Loan Amount box.
- Click “Calculate”
- Answer the questions below.

Standard monthly payment $________________________ Graduate monthly payment $________________________

Extended monthly payment (only available if debt is over $30,000) $________________________

How much do you want to borrow? Subsidized $________________________ Unsubsidized $________________________
What is your educational objective (circle one)? 1. Vocational Certificate 2. A.A. Degree 3. BA/BS Degree

What is your major? _______________________________

If the principal balance of your student loan debt is over $18,000 and you are planning on transferring to a four year college, how will you pay for your education?

__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________

Financial aid and student loans are to supplement your own income in educational expenses. Explain why you need to borrow an Unsubsidized loan or borrow more when your debt is already over $18,000. Explanation must be pertaining to educational expenses only.

__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________

What action would you take if you were not able to pay back your loan after completing your education objective?

__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________

Default Consequences:

• Your entire loan balance (principal and interest) will be due in full.
• Your college records may be placed on hold.
• You’ll lose your student loan deferment options.
• You won’t be eligible for additional federal student aid.
• Your credit rating will be damaged for several years because defaulted loans are reported to national credit bureaus.
• You’ll have difficulty qualifying for credit cards, a car loan, a mortgage, or renting an apartment.
• Your federal and state income tax refunds can be withheld and applied to student loan debt. This is called a tax offset.
• You may have a portion of your wages garnished (withheld).
• You may not be able to obtain a professional license or get hired by an employer that performs credit checks.

Stafford loan denials will be done on a case by case basis. Once all documentation is reviewed you will be notified via your SJDC email of your continue eligibility and/or explanation of denial.

_____________________________________________ ____________________________
Student Borrower Signature Date Phone Number

Office Use Only:

Approved ______ Denied ____________

Comments: ____________________________________________________________

_____________________________________________ ____________________________
Financial Aid Specialist Date