

**FEDERAL DIRECT STAFFORD LOAN
REDUCTION/CANCELLATION FORM
2010-2011**

Student's Name (Please Print) _____

ID Number _____

Social Security Number _____

LOAN TYPE:	<input type="checkbox"/> Subsidized	<input type="checkbox"/> Unsubsidized
TERM(S):	<input type="checkbox"/> Summer	<input type="checkbox"/> Summer
	<input type="checkbox"/> Fall	<input type="checkbox"/> Fall
	<input type="checkbox"/> Spring	<input type="checkbox"/> Spring
REDUCE TO :	\$ _____	\$ _____

By signing this I understand that :

- I have the right to cancel all or part of my federal loan disbursement for each semester. This form must be signed and submitted to the Financial Aid Office within 14 days from the date I receive official notification that loan funds have credited to my student account, or before the first day of classes, whichever occurs last.
- Once the loan is cancelled, all loan funds and loan fees will be returned to the Department of Education and no interest will be charged to me.
- Cancelling my loan disbursement could cause a balance to be due on my student account, which I will be responsible for paying (this is more likely to be true if excess funds (credit balances) have already been disbursed in a refund check).
- The Interest rate for Federal Direct Loan Subsidized Loans for undergraduate students is fixed at 5.60% for loans disbursed after July 1, 2009. The interest rate for Federal Direct Subsidized Loans for graduate and professional students and all Unsubsidized Loans is fixed at 6.80% for loans disbursed after July 1, 2009. Borrowers are charged an origination fee of 1.5%, minus a rebate of approximately 1.0%, which will be deducted from the loan before disbursement is made.
- For Unsubsidized Loans, interest must be paid while I am in school at least half-time. If I choose not to pay the interest while in school, it will accrue and be capitalized (added on to the principal at the time of repayment). Repayment of the principal balance begins six months after graduation, withdrawal, or less-than-half-time enrollment.
- Federal Direct Loan borrowers who are leaving school, dropping below half-time enrollment, or graduating must complete **Exit Counseling**. Exit counseling provides you with important information about repayment and your rights and responsibilities.

Student Signature

Date