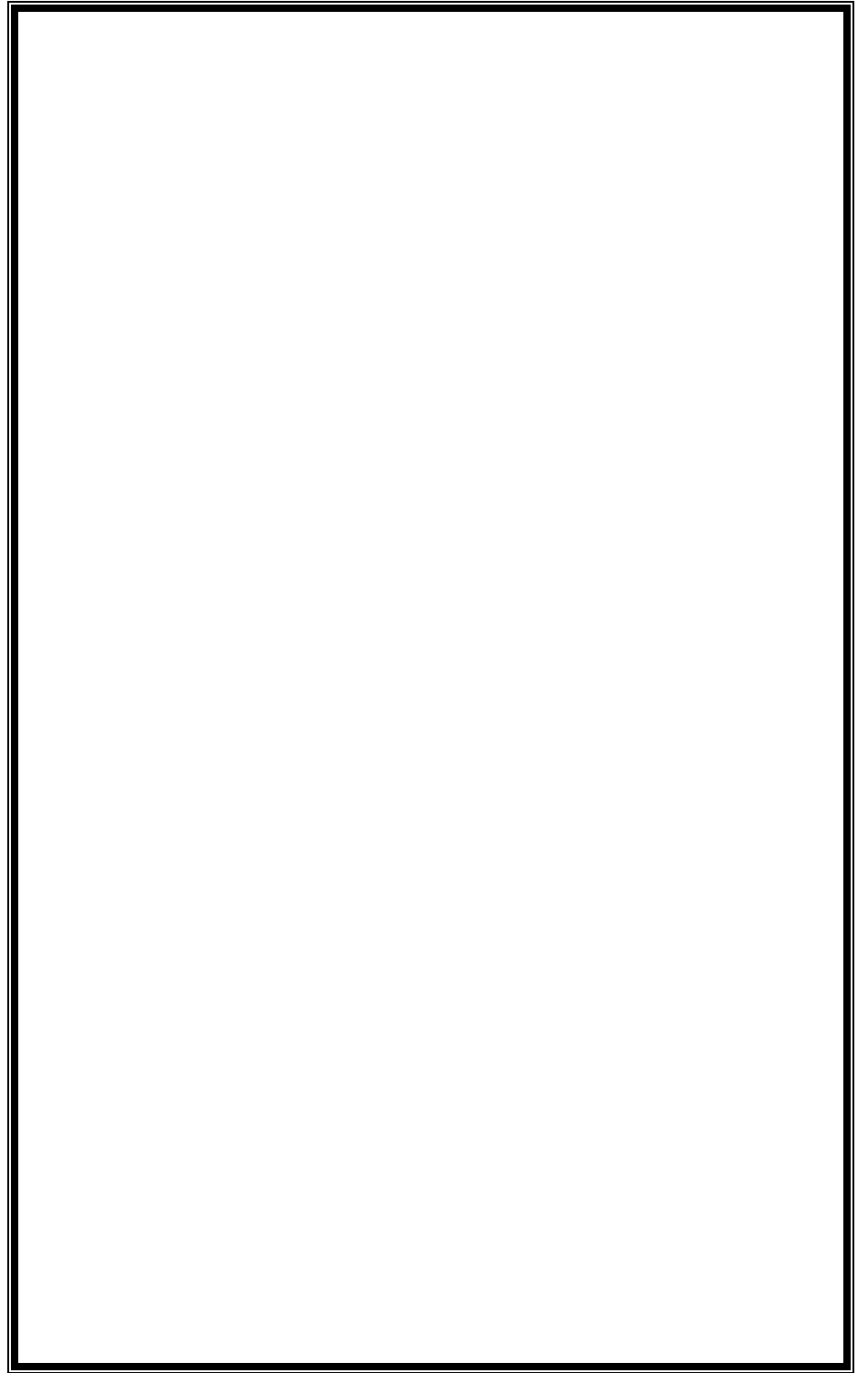
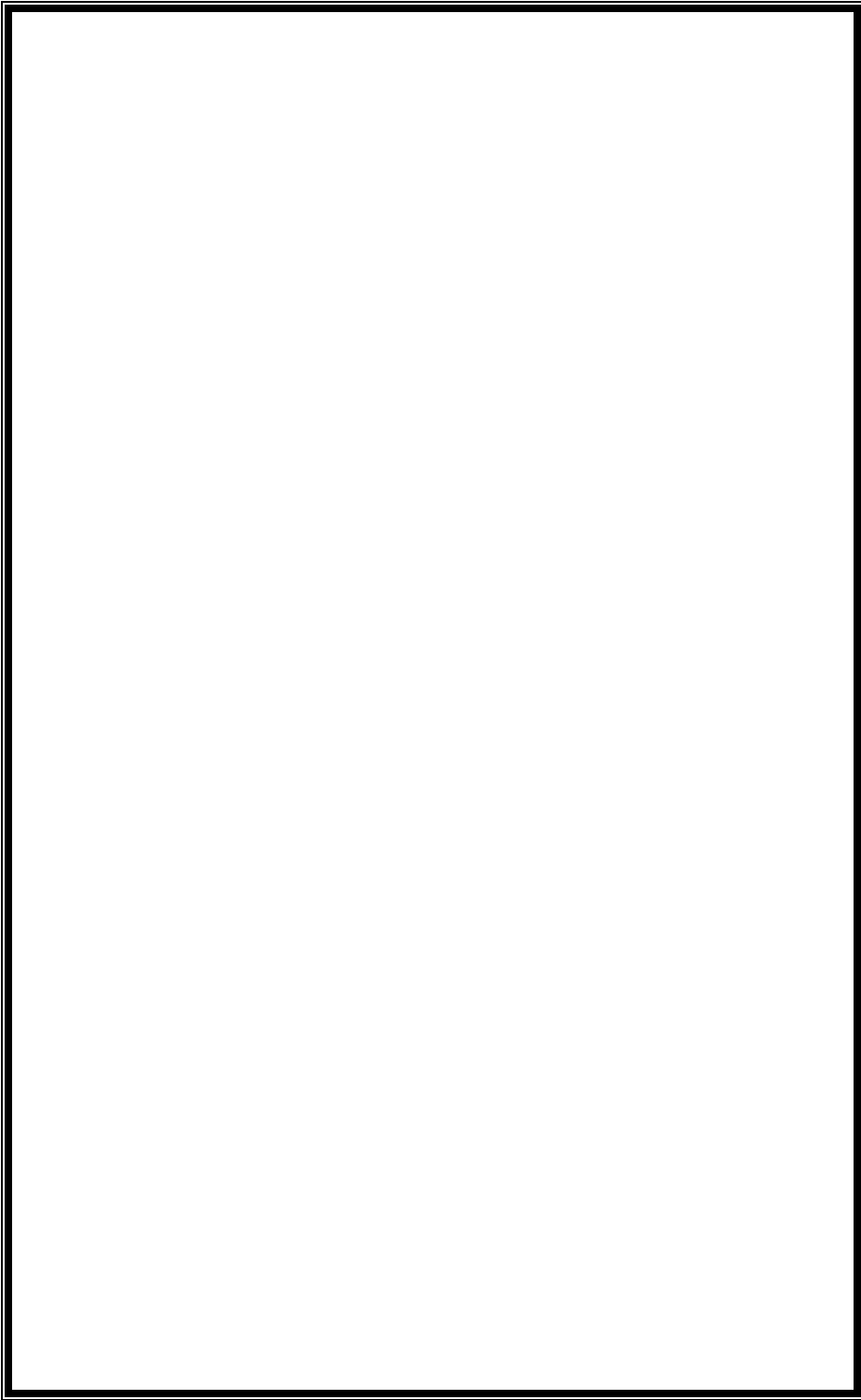


Federal Student Loan Handbook

Undergraduate & Graduate
US Students

Prepared by:
Financial Aid Office
University of New Brunswick
(Fredericton Campus)
August 5, 2009

©Copyright retained by the Financial Aid Office of UNB (Fredericton Campus),
this document cannot be re-produced without the
written permission from the Director of Financial Aid.



NOTES

Table of Contents

Preamble	.....	1
UNDERGRADUATE Cost Sheet	.....	2
GRADUATE Cost Sheet	.....	4
Budget Template	.....	6
Applying for Stafford Loan	.....	7
Repaying your Stafford Loan	.....	10
Conclusion	.....	16



Preamble

Welcome to the University of New Brunswick, Fredericton Campus!

Research tells us that one of the biggest predictors of “student success”, in Post-Secondary Education (PSE) is one’s belief in his/her abilities.

There are many other factors that influence success, however, never underscore the fact that we are our best champion...or worst critic!



University of New Brunswick

Financial Aid Office

Rm 3, Alumni Memorial Building
13 Bailey Drive, Fredericton, NB E3B 5A3
Tel (506) 453-4796 Fax (506) 453-5020
E-mail: finaid@unb.ca
Web site: <http://www.unbf.ca/financialaid/>
(OPE ID: 00668500)

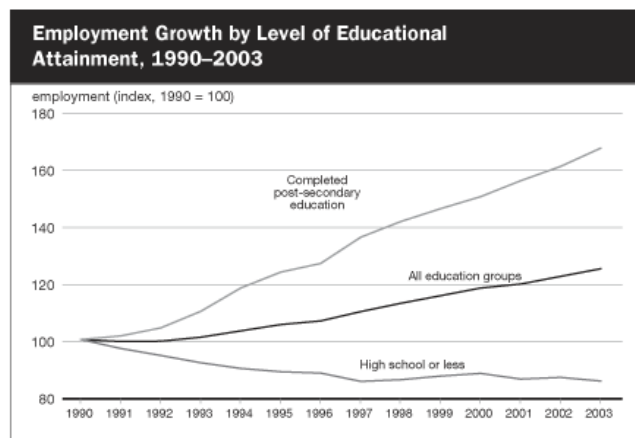
Shelley Clayton
Director

or

Kelly Waugh
Financial Aid Officer

NOTES

It is clear (see chart below) that in order to create, find and keep good jobs in the knowledge-based economy, Canadians will increasingly need to pursue learning opportunities—both during their youth and as working adults later in life.



Source: Statistics Canada Labour Force Survey.

1

¹ www.fin.gc.ca/budget04, “Chapter 4- Moving on the Priorities of Canadians-The Importance of Learning”

APPROXIMATE COSTS 2009-2010
University of New Brunswick - Fredericton
Full-Time UNDERGRADUATE (8 Months)

Tuition Due Dates	09/08/09	01/15/10	TOTAL
Engineering	7,496.50	6,650.50	14,147
Law	8,771.50	7,925.50	16,697
ALL other undergraduate Programs	6,996.50	6,150.50	13,147
First Year Orientation Fee (first year out of High School)	60	0	60
Education Practicum Fee	500	0	500
Mandatory UNDERGRADUATE Fees			
International Health Insurance	567	International Health Insurance Table: http://www.unb.ca/services/financialservices/students/interhealthinfo.htm	
Student Union Fee	89	638	
Media Fees	25		
Student Union Supplementary Health Plan	137		
Student Union Optional Dental Plan	112		
Technology Fee	50		
Facilities Improvement Fee	175		
Health Fee	50		
UNDERGRADUATE TUITION AND MANDATORY COSTS TOTAL <i>*All costs in Canadian dollars</i>			RANGE 13,785 – 17,335 Depending on Program

APPROXIMATE LIVING COSTS 2009-2010
University of New Brunswick - Fredericton
Full-Time UNDERGRADUATE (8 Months)

Living Costs (based on averages)

Fredericton Campus Residence - Double Room - 19 meal plan <i>(Fredericton Campus Residence - Single Room - 19 meal plan - \$9,130)</i>	7,864
Books, equipment and supplies (approximate)	1,000 - 1,500
Local Travel	600 - 800
Travel Home	1,500 - 2,000
Parking Fee (September - April)	79
Miscellaneous (clothing, laundry, entertainment, etc. - approximate)	1,200
LIVING AND SUPPLEMENTAL FEES COSTS TOTAL <i>*All costs in Canadian dollars</i>	RANGE 12,243-13,443 <i>Depending on individual costs</i>
ADD 2009-2010 TUTION AND MANDATORY COSTS TOTAL	13,785 – 17,335
UNDERGRADUATE TOTAL COSTS OF ATTENDANCE <i>*All costs in Canadian dollars</i>	RANGE 26,028 – 30,778 Depending on Program



Conclusion

“Learning is the cornerstone of Canada’s economic and social foundations. Investments in learning are key to a strong economy. Learning produces a workforce qualified to meet the demands of a growing economy and fosters advances in knowledge, the development of new technologies, new products and improved production processes. These in turn increase productivity, generate economic growth and promote Canada’s international competitiveness.

Support for learning is an important instrument for ensuring equality of opportunity for all Canadians:

- For individuals and their families, learning provides greater opportunities, higher incomes and lower unemployment over a working career—benefits that increase with the number of years of education. In times of rapid change, learning is the means by which workers adapt their skills and capacities to the new social and economic environments.
- For society as a whole, ensuring broad access to learning is the key to enhanced equality of opportunity, increased social mobility and greater social stability and cohesion. It also provides the necessary foundation for the active participation of all Canadians in a progressive and democratic society.

8) Delinquency and Default

It is very important that you may your loan payments on time. If you are having trouble making your monthly payment, you should immediately contact your lender/holder.

If you fail to make your student loan payments for 270 days, your loan will default. The consequences of defaulting on your loan are very serious and may result in:

- Damage to your credit rating,
- Garnishment of your wages,
- Legal action,
- Court costs and legal expenses,
- Collection charges,
- Loss of deferment eligibility,
- Referral of your account to a collection agency,
- Withholding of your federal Treasury payments (including federal tax refunds, Social Security benefits, etc.) and state-income tax refunds,
- Loss of further Title IV financial aid eligibility, and
- Suspension of your professional license.

For More Information

If you need more information about your federal student loans, visit the National Student Loan Data System (NSLDS) at www.nsls.ed.gov or call them at (800) 4 FED-AID.

The Federal Student Aid (FSA) Ombudsman works with student loan borrowers informally to resolve loan disputes that the borrower is unable to resolve with the lender/servicer or guarantor.

Office of the Ombudsman, Department of Education
 4th Floor UCP-3/MS 1544, 830 first Street NE
 Washington, DC 20202
 Toll-free phone: (877) 557-2575
 Internet: <http://ombudsman.ed.gov>

APPROXIMATE COSTS 2009-2010
University of New Brunswick - Fredericton
Full-Time (12 months)
GRADUATE Students

(review the following web site for course-by-course student costs
http://www.unb.ca/services/financialservices/students/fees/grad_fees_fred.htm)

Tuition Due Dates	09/18/09	01/15/10	05/21/10	TOTAL
GRADUATE Programs (* includes fees)	4209.50	3277.50	3277.50	10764.50
Breakdown of Mandatory GRADUATE Fees				
GSA Health Insurance Plan (http://www.unb.ca/services/financialservices/students/fees/grad_fees_fred.htm#IHIT)	189			1314.50
Optional Dental Plan	176			
Graduate Student Association Fee (F/T)	109.50			
Technology Fee	49.50			
Health Fee	49.50			
Facilities Improvement Fee	174			
International Health Insurance (Medicare equivalent Health Insurance (cost based on SINGLE rate-- refer to web site listed above for complete family rates).	567			
GRADUATE TUITION AND MANDATORY COSTS TOTAL <i>*All costs in Canadian dollars</i>				\$12,079 Depending on Program

APPROXIMATE COSTS 2009-2010
University of New Brunswick - Fredericton

Full-Time (12 Months)
GRADUATE Students

Living Costs (based on averages)

Fredericton Campus Residence – Suite Residence (2 bedroom, 12 month agreements, cost per occupant) <i>(Fredericton Campus Residence - Single 12 month agreement - \$8,970, cost per occupant)</i>	7,770
Books, equipment and supplies (approximate)	1,000 - 1,500
Local Travel	900 -1,200
Travel Home	2,000 – 2,500
Parking Fee (September - April)	79
Miscellaneous (clothing, laundry, entertainment, etc. - approximate)	1,500
LIVING FEES COSTS TOTAL	RANGE \$13,249 – 14,549 Depending on Individual
ADD 2009-2010 TUITION AND MANDATORY COSTS TOTAL	\$12,079
GRADUATE TOTAL COSTS OF ATTENDANCE <i>*All costs in Canadian dollars</i>	RANGE \$25,328 - 26,628 Depending on Program

- Extra interest over the life of the loan, if you choose a longer repayment period
- Loss of eligibility for certain deferments

You must be in your grace period or repayment to apply for a Federal Consolidation Loan.

If you are interested in this type of loan, you should contact your lender/servicer to determine if it is in your best interest.

If your lender/servicer does not provide Federal Consolidation Loans, they may be able to refer you to a lender who does.

7) Loan Cancellation

You are generally obligated to repay your student loan, regardless of what happens. **GENERALLY FEDERAL STUDENT LOANS MAY NOT BE DISCHARGED OR CANCELLED DUE TO BANKRUPTCY.** However, there are a few situations in which your loan may be discharged.

Your loan may be discharged if:

- You die,
- You are permanently disabled (requires certification from a physician and is subject to a conditional review every three years),

Teacher Loan Forgiveness- There is a loan discharge/ forgiveness programs for teachers meeting certain criteria:

- First loan was made on or after October 1, 1998
- Teach in eligible low-income school for 5 consecutive yrs
- Maximum of \$5,000 forgiveness
- Only Stafford Loans qualify.

Contact your lender/holder if you think you may be eligible.

Loan Repayment Programs—there are certain programs that help borrowers repay loans. These include but are not limited to:

The AmeriCorps service program (www.americorps.org or (800) 942-2677), and



US Foreign School Loan Information

Applying for a Stafford Loan

Step-by-Step Process

1. Complete a FAFSA

Before you apply for a Stafford Loan, you must complete the Free Application for Federal Student Aid (FAFSA). The FAFSA determines your eligibility for federal financial aid **including** Stafford Loans and you must complete it **each** year you require student loans.

Department of Education Web site: www.fafsa.ed.gov.

A) After your FAFSA is processed, you will receive a Student Aid Report (SAR). The SAR **will not** be sent to the school, as it is in the US. **YOU** are responsible for providing your school with an official SAR.

FAFSA help line 1-800-433-3243

****IMPORTANT****

- Foreign Schools prefer the 8-page SAR in order to complete the School Certification Form.
- In order to obtain the 8-page SAR, students **MUST** complete the paper FAFSA application.
- **DO NOT INCLUDE** an e-mail contact address on the paper FAFSA Application.

2. Apply Early

Make sure the money is there for when you need it!

- Maximum repayment term is 25 years.
- Payments can be either fixed or graduated.

1) When Repayment Begins

- Subsidized and unsubsidized Stafford Loans: Enter repayment six months after you cease half-time attendance.
- Supplemental Loans for Students: Enter repayment the day of disbursement, unless deferred until Stafford Loan enters repayment.
- Your lender/holder will advise you of your first payment due date while you are in your grace period. If you do not receive this information, it is **YOUR** responsibility to contact your lender/holder.

2) Solutions for Repayment Problems

Repaying your loan is a very serious obligation. Remember, you are required to make your student loan payments even if you:

- Do not complete your education.
- Are not employed upon completion of your studies.
- Do not find employment in your field of study.
- Feel that the education you received did not meet your expectations.

If you are having trouble meeting your scheduled monthly payments, there are options to help.

DEFERMENT: A deferment is an entitlement of your loan if you meet the criteria. There are numerous ways to qualify:

- At least half-time enrollment at UNB
- Graduate fellowship program
- Rehabilitation program
- Unemployment
- Economic hardship

Who pays the interest during the Deferment?

- Subsidized Stafford Loans: Federal Government
- Unsubsidized Stafford Loan: **YOU**

The **MOST IMPORTANT REASON** for staying in contact with your lender is to make use of the options for help: deferment, forbearance, or alternate repayment schedule.

3) Planning for Repayment

- A) Standard Repayment Schedule
- Maximum payment period is 10 years (120 monthly payments). Your payment will be set up to pay off your loan in that period.
 - Minimum payment is \$50 per month.
 - Only payment option your lender/holder is required to offer if your loan was disbursed prior to July 1993.
- B) Graduated Repayment Schedule
- Maximum payment period is 10 years (120 monthly payments). This can be extended annually up to five additional years if your payments are less than you monthly interest costs.
 - Payments start smaller (though they can never be less than the monthly interest accrual) and gradually increase throughout the repayment.
 - Good alternative if you anticipate your income will increase in the future.
 - NOTE: You will pay more interest over the life of the loan if you choose a graduated repayment schedule.
- C) Income-Sensitive Repayment Schedule
- Maximum payment period is 10 years.
 - The amount of your payment changes annually, based on your expected total monthly gross income.
 - Your payment cannot be less than monthly interest accrual.
 - You can use up to five years of income-sensitive repayment.
- D) Extended Repayment Schedule
Available to borrowers who received all loans on/after October 7, 1998, and have a balance of more than \$30,000.00 in federal student loan debt.
3. Complete the Stafford Master Promissory Note (MPN)
- A) You can obtain a MPN by accessing the following web site: <http://www.amsa.com/>
- B) Complete items 1-17.
- C) Tear Off **your** copy of the MPN.
- D) The MPN contains information on your loan terms and responsibilities.

4. School Certification

Your school must have your MPN and SAR to certify your loan. School certification forms are downloadable through the following web site:
<http://www.amsa.com>

5. Loan Guarantee

After **all** parts of the application are completed and your eligibility is confirmed, your loan is guaranteed.

6. Loan Disclosure

When your loan is guaranteed, your lender sends you a Loan Disclosure Statement with important information, including amount borrowed, interest rates, loan fees and monthly payments.

7. Federal Stafford Loan Maximums

<i>Borrower's Academic Level</i>	<i>Dependent* Student</i>	<i>Independent Student</i>			
Rates listed below are in US dollars	Sub + Unsub	Subsidized Amount	Unsubsidized	Total	
First Year Undergraduate one academic year (Freshman)	\$5,500	\$3,500	+	\$6,000	= \$9,500
Second Year Undergraduate one academic year (Sophomore)	\$6,500	\$4,500	+	\$6,000	= \$10,500
Third Year and Remaining Undergraduate one academic year (Juniors, Seniors)	\$7,500	\$5,500	+	\$7,000	= \$12,500
Graduate or Professional	N/A	\$8,500	+	\$12,000	= \$20,500

8. How to Avoid Delays

Complete all paperwork and respond to requests for information in a timely manner.

9. Plan for your Check

If you are using an international bank, become familiar with its processes and procedures.

10. Loan Check Disbursement

The University of New Brunswick requests that all checks be mailed to the school for disbursement. Please check with the school to enquire if your check has arrived upon your arrival at the school to begin classes.



US Foreign School Loan Information

Repaying Your Stafford Loan

Step-by-Step Process

1) What You Need to Know Now That You Owe

Now that you are leaving school, it is important that you remind yourself of your rights and responsibilities regarding federal student loans. These loans include:

- Subsidized Stafford Loans
- Unsubsidized Stafford Loans
- Supplemental Loans for Students (SLS – All SLS loans were made prior to 7/1/1994)

Your **Master Promissory Note (MPN)** also contains your Rights and Responsibilities. Your MPN is the binding legal document that you signed to receive your student loans. By signing that note you indicated your commitment to repay your loans.

2) Stay In Touch With Your Lender

You must tell your lender of changes to your:

- a. name,
- b. address, and
- c. telephone number

You must let your lender know if you:

- withdraw from school,
- drop below half-time enrollment,
- transfer to a new school,
- graduate, or
- have a change in status that would affect your loan status