



How to complete this form
1. Review the information on the reverse of this form.
2. Complete <b>all sections of this form, sign and date it</b> , and submit to Financial Aid in person (Haverhill SC118 or Lawrence L151), using secure form submission at: <a href="https://www.necc.mass.edu/admissions/tuition/financial-aid/apply-for-aid/financial-aid-forms/secure-form-submission/">https://www.necc.mass.edu/admissions/tuition/financial-aid/apply-for-aid/financial-aid-forms/secure-form-submission/</a> , or by mail to: Financial Aid, Northern Essex Community College, 100 Elliott St, Haverhill, MA 01830

**2023 - 2024 FEDERAL DIRECT LOAN REQUEST FORM**

**STUDENT NAME (PRINT)** \_\_\_\_\_ **ID#** \_\_\_\_\_

**1. Check one (all requirements must be completed before your loan can be disbursed):**

- I am a first time Federal Direct Student Loan Borrower.
  - ▶ You must complete the Loan Entrance Counseling and Master Promissory Note at [www.studentaid.gov](http://www.studentaid.gov).
  - ▶ NECC will receive an electronic notification in 3 – 5 business days.
  
- I have borrowed a Federal Direct Student Loan before.
  - ▶ Go to [www.studentaid.gov](http://www.studentaid.gov) and follow instructions to sign in.
  - ▶ Report the total amount of your previously borrowed student loans here \_\_\_\_\_
  - ▶ If this is your first loan at NECC, you must also complete Loan Entrance Counseling and update your Master Promissory Note to include NECC at [www.studentaid.gov](http://www.studentaid.gov).
  - ▶ NECC will receive an electronic notification in 3 – 5 business days.

**2. How much are you requesting to borrow? \$** \_\_\_\_\_

Keep in mind that there is a 1.057% origination fee deducted from your loan so you will have to add on the fee to get the exact amount for payment.

- This is my first loan request for the 2023 - 2024 award year.
  
- This is a request for additional loan funds for this year. Please indicate total to be borrowed.  
My 2023 - 2024 loan already borrowed + this request = \$ \_\_\_\_\_

**3. This loan is for (check only one):**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Fall 2023 & Spring 2024                 | <input type="checkbox"/> Spring 2024 Only                 | <input type="checkbox"/> Summer 2024 Only                   |
| <input type="checkbox"/> Fall Only – Graduating in December 2023 | <input type="checkbox"/> Fall Only – Other. Explain _____ | <input type="checkbox"/> Other – Contact FA Counselor _____ |

**4. Direct Loans are to be used for educational expenses only. Please indicate what this loan will be used for:**

(Direct student loans may not be used for the purchase of cars, furniture, vacations, or costs covered by other financial aid. You may be asked to submit additional documentation to Financial Aid regarding your expenses.)

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Tuition and Fees   | <input type="checkbox"/> Rent/Living Expenses | <input type="checkbox"/> Childcare      |
| <input type="checkbox"/> Books and Supplies | <input type="checkbox"/> Computer/Tablet      | <input type="checkbox"/> Transportation |

**PLEASE READ CAREFULLY: By signing below, I certify that I understand and agree to the following:**

- ▶ In most cases, my loan request will be evenly split and disbursed in 2 or more payments to my account.
- ▶ I must be enrolled in six credits or more to receive loan proceeds and if I drop below 6 credits, my loan may be cancelled.
- ▶ If I drop classes or stop attending school after my loan has been disbursed to my student account, it could be prorated or cancelled and I may owe money to NECC.
- ▶ The amount I request may be reduced or rejected based on annual loan limits, federal regulations, or NECC policy.
- ▶ I must repay my loans even if I don't complete my education or if I am unable to get a job after I complete my program.

**STUDENT SIGNATURE** \_\_\_\_\_ **DATE** \_\_\_\_\_

**STUDENT SIGNATURE MUST BE AN ORIGINAL SIGNATURE (HAND-WRITTEN) AND CANNOT BE ELECTRONICALLY GENERATED.**



## 2023-24 FEDERAL DIRECT STUDENT LOAN INFORMATION SHEET

Northern Essex Community College (NECC) participates in the Federal Direct Student Loan program administered by the U.S. Department of Education and NECC. Loans are financial assistance that must be repaid. Complete information about student loans can be found on [www.studentaid.gov](http://www.studentaid.gov)

### HOW DO YOU APPLY & QUALIFY FOR A FEDERAL DIRECT STUDENT LOAN?

- Complete the FAFSA (Free Application for Federal Student Aid) for 2023-24 at [www.studentaid.gov](http://www.studentaid.gov)
- Provide requested documents to Financial Aid if your FAFSA has been selected for verification.
- Enroll in a degree or certificate program at NECC, in 6 credits or more.
- Meet all satisfactory academic progress requirements as indicated in the college catalog.
- Not be in default on a prior student loan or owe an overpayment to the Federal Government.
- Complete the Loan Request form on the reverse side of this informational sheet if:
  - You would like an increase to the amount offered to you on your award letter.
  - You did not have a loan on your award letter, but you would like to borrow a loan during 2023-24.

### WHAT IS THE DIFFERENCE BETWEEN A SUBSIDIZED AND UNSUBSIDIZED LOAN?

Direct Subsidized Loans are offered to students who demonstrate financial need according to federal regulations. The Federal Government pays the interest while the student is enrolled in at least 6 credits (half-time). You are not charged interest while you are in school at least half time.

Direct Unsubsidized Loans are offered to students who do not qualify on the basis of calculated financial need or for those who need supplemental loan assistance. Unlike the Direct Subsidized Loan, interest begins to accrue when the loan is disbursed regardless of the student's enrollment status.

As of July 1, 2023, the **interest rate** is **5.50%** for both the subsidized and unsubsidized loan. Interest rates usually change on July 1 of each year for new loans but the interest rate is fixed for the life of the loan. There is an **origination fee of 1.057%** that is charged by the federal lender. The origination fee is taken out of the loan amount when it is disbursed.

### HOW MUCH CAN I BORROW EACH YEAR?

Loan amounts are based on your grade level (Freshman/Sophomore), Cost of Attendance Budget, all financial aid and/or other aid you are receiving as well as the total amount of the loans you have borrowed in the past.. Keep in mind that this is a loan, it must be repaid, and you should never borrow more than you need.

#### Dependent Student

- **Freshman/First Year** (0-29 Credits earned) up to \$5,500 (maximum \$3,500 Sub based on eligibility)
- **Sophomore** (30+ credits earned) up to \$6,500 (maximum \$4,500 Sub based on eligibility)

#### Independent Student

- **Freshman/First Year** (0-29 Credits earned) up to \$9,500 (maximum \$3,500 Sub based on eligibility)
- **Sophomore** (30+ credits earned) up to \$10,500 (maximum \$4,500 Sub based on eligibility)

There is a limit to the total amount of loans that a student may borrow to complete their degree. Please see [www.studentaid.gov](http://www.studentaid.gov) for complete information.

### WHERE CAN I FIND MORE INFORMATION ON LOANS?

The **Financial Aid Office** at Northern Essex Community College (NECC) can be reached at [financialaid@necc.mass.edu](mailto:financialaid@necc.mass.edu)  
NECC has information about student loans at <https://www.necc.mass.edu/admissions/tuition/financial-aid/direct-loans/>  
The **U.S. Department of Education** maintains information about loans and other financial aid at [www.studentaid.gov](http://www.studentaid.gov)