

## Student Rights

A student has the right to receive the following information about his or her loan from the school, lender, and/or guarantor before the school makes the first loan disbursement:

- the full amount of the loan and the interest rate;
- the start date for repayment;
- a complete list of any charges that the student must pay (loan fees) and information on how these charges are collected;
- information about the yearly and total amount a student can borrow;
- information about the maximum repayment periods and the minimum repayment amount;
- an explanation of default and its consequences and;
- an explanation of available options for consolidating loans and a statement that the student can prepay loan (s) without penalty at any time.

Before leaving school, the student will receive the following information about his or her loan (as part of exit counseling) from the school, lender, and/or guarantor:

- a current description of the student's loans, including average anticipated monthly payments;
  - the amount of the student's total debt (principal and estimated interest), interest rate and the total interest charges on the loan;
- if the student has Federal Student Loans, the name of the lender or agency · that holds the loans, where to send payments, and where to write or call if the student has questions;
- if the student has Federal Direct Loans, the address and telephone number of the Direct Loan Servicing Center;
  - an explanation of the fees that the student might be charged during the re- payment period, such as late charges and collection or litigation costs if the student is delinquent or in default;
  - a reminder of available options for loan consolidation and a reminder that the student can prepay the loan without penalty at any time;
  - a description of applicable deferment, forbearance, and discharge (cancellation) provisions
  - repayment options and advice about debt management that will help the student in making his or her payments; and
  - notification that the student must provide his or her expected permanent address and the name and address of his or her expected employer. The student must also provide any corrections to school's records concerning his or her name, Social Security Number, references, and driver's license number (if applicable);
  - The student has the right to a grace period before the repayment period begins. (Parents do not receive a grace period for a PLUS loan). A student's grace period begins when he or she leaves school or drops below half-time status. The grace period will be six (6) months.
  - The student's school, lending institution, and/or guarantor, as appropriate, must give the student a loan repayment schedule that states when his or her first loan repayment is due, the number and frequency of payments, and the amounts of each payment;
  - If the student or his or her parents borrow under a FFEL or Direct Loan Program, he or she (or his or her parents, for a PLUS loan) must be notified when the loan is sold if the sale results

in making payments to a new lender or agency. Both the past and/or current lender and agency must provide this notification and must provide the identity of the new lender or agency holding the loan, the address to which the borrower must make payments, and the telephone numbers of both the old and new lender and agency.