

IMPORTANT INFORMATION FOR ALL FIRST-TIME DIRECT STUDENT LOAN BORROWERS!

All first-time Direct Loan borrowers must complete a Master Promissory Note (MPN) and Entrance Counseling before disbursement can be made.

WHAT IS THE MASTER PROMISSORY NOTE?

The Master Promissory Note (MPN) is the application and promissory note for all Direct Loans - Subsidized and Unsubsidized. You will complete the MPN the first time you borrow a Direct Loan. For all subsequent years, you only need to submit a FAFSA and accept your loans via your award offer. Your MPN is good for 10 years from the date the note was signed and can be used for any loan period that begins within the 10-year time frame.

APPLICATION PROCESS

- ◆ Accept your Direct Loan as listed on your award offer.
- ◆ Complete the Direct Loan Master Promissory Note electronically at <https://studentaid.gov>.
 - Log in using your FSA ID and select "Complete a Master Promissory Note" listed under "Complete Aid Process". Be sure you're selecting the Subsidized/Unsubsidized version of the MPN.
 - Have the names, addresses and telephone numbers of two individuals to serve as references on the MPN. References should be U.S. citizens who have known you at least three years. It is acceptable to use parents and other relatives as references, as long as the two references have different addresses.
 - Carefully read through the Rights and Responsibilities and the Master Promissory Note. Remember, by signing an MPN you are agreeing to pay back any Direct Subsidized and/or Unsubsidized Loan that you borrow.
 - After electronically signing and confirming your acceptance of the MPN terms, save a copy of the MPN and keep it for your records.

BORROWING A DIRECT LOAN

- This process will take about 30 minutes to complete. If you are unable to complete the entire process in a single session, the MPN Web site will require that you start again from the beginning.
- ◆ Complete **Entrance Counseling** (see additional information below).
- ◆ The Financial Aid Office will transmit your loan eligibility information to the federal government who will release the funds to the school once a valid MPN is on file and entrance counseling is completed.

ENTRANCE COUNSELING

All first-time Direct Loan borrowers must complete a loan counseling session before receiving the first disbursement of their loans. This is to help you understand your rights and responsibilities as a borrower so that you can properly manage your future indebtedness. This is done electronically at <https://studentaid.gov>. Select "Complete Entrance Counseling" under the "Complete Aid Process" section. NSU will be notified once you have completed this process.

MONTHLY REPAYMENT/ACCRUED INTEREST CALCULATORS

Remember to keep track of your student loan borrowing. It is easy to accumulate a large amount of student loan debt. Always borrow from the "best" loan program first, meaning the one with the lowest interest rate and most favorable repayment terms. Don't forget the ABC's of borrowing: **Always Borrow Conservatively!** Loan repayment estimators are available at <https://studentaid.gov>. Using this Web site will help you keep track of how much your monthly payments will be, the cost of capitalizing accrued interest, and how much you can afford to borrow.