



2014-2015

STUDENT LOAN CANCELLATION/ADJUSTMENT REQUEST FORM

Students have the right to cancel or reduce all or part of the Student loan within 7 days of notification of the loan. This form is used if you wish to cancel or adjust your Federal Direct Loan (subsidized or unsubsidized) after review of your initial award. Federal Direct Loans are limited by grade level and dependency status.\* See eligibility chart for details.

Section A: Student Information

Form with fields for Last Name, First Name, M.I., Student ID Number, Phone Number, and Student Email Address.

Section B: Request to Cancel Federal Direct Loan

Form with columns for Fall, Spring, and Summer, and rows for Subsidized and Unsubsidized loan cancellation requests.

Section C: Request to Increase Federal Direct Loan (\*See eligibility chart)

Form with columns for Fall, Spring, and Summer, and rows for Subsidized and Unsubsidized loan increase requests.

Section D: Request to Reduce Federal Direct Loan

Form with columns for Fall, Spring, and Summer, and rows for Subsidized and Unsubsidized loan reduction requests.

Section E: Request to Re-instate my Federal Direct Loan (Check one)

- Four checkbox options for reinstating a loan: 1) previously canceled due to failure of Satisfactory Academic Progress, 2) not meeting enrollment requirement, 3) withdrew from classes, 4) previously declined loan.

Form with fields for Student Signature and Date.

## Federal Loan limits, Interest Rates and Fees

### Annual Loan Limits:

The maximum amount you can borrow each academic year depends upon your *Financial Aid Eligibility* and your *Grade level* (this includes transfer units).

Dependent/Independent status is determine by the Department of Education based on the information that the student provides on the Free Application for Student Aid (FAFSA)

<b>Dependent Students Direct Loan Annual Limits</b>			
<b>DEPENDENT STUDENTS</b>	<b>Base Amount Subsidized/Unsubsidized Combined</b>	<b>Additional Unsubsidized</b>	<b>Yearly Maximum</b>
Grade Level 1 0-29.9 completed units	\$3,500	\$2,000	\$5,500
Grade Level 2 30+ completed units	\$4,500	\$2,000	\$6,500

<b>Independent Students Direct Loan Annual Limits</b>			
<b>INDEPENDENT STUDENTS</b>	<b>Base Amount Subsidized/Unsubsidized Combined</b>	<b>Additional Unsubsidized</b>	<b>Yearly Maximum</b>
Grade Level 1 0-29.9 completed units	\$3,500	\$6,000	\$9,500
Grade Level 2 30+ completed units	\$4,500	\$6,000	\$10,500

<b>Aggregate Loan Limits Maximum Total Outstanding Loan Debt Subsidized/Unsubsidized Aggregate</b>	
<b>DEPENDENT STUDENTS</b>	\$31,000 (maximum \$23,000 subsidized)
<b>INDEPENDENT STUDENTS</b>	\$57,500 (maximum \$23,000 subsidized)

## **Students with “No Need”:**

Students with No Need and who do not qualify for the Subsidized Loan may be eligible for the Unsubsidized Loan:

Up to \$5500 per year – 1<sup>st</sup> year (student qualifies if he/she does not have need and is not eligible for Sub loan)

Up to \$6500 per year- 2<sup>nd</sup> year (student qualifies if he/she does not have need and is not eligible for Sub loan)

## **Important Notice**

Effective 2013-2014, Southwestern College has been approved by the U.S. Department of Education to participate in an experimental initiative to reduce over-borrowing and risk of loan default. This will allow our college to eliminate the Unsubsidized Loan eligibility for certain groups of students. This decision is final and cannot be appealed to the U.S. Department of Education.

Based on this initiative, the following categories of students will not be eligible to borrow Unsubsidized Loans:

- **1<sup>ST</sup> YEAR / CALIFORNIA RESIDENTS STUDENTS**  
1<sup>st</sup> year is defined as students who have completed less than 30 units in their current program of study and 24 units out of the 30 must be degree applicable. Units that will not be counted towards the 24 units are basic skills or remedial or any other units that are not applicable to the current program or major based on the educational plan
- **STUDENTS WITH TOTAL LOAN AGGREGATE DEBT OF \$12,500 OR MORE**  
Students who have borrowed subsidized and unsubsidized loans with a combine total of \$12,500 or more. Total loan debt includes loans from ALL schools attended
- **STUDENTS WHO HAVE BEEN APPROVED ON A SATISFACTORY ACADEMIC APPEAL**  
Students who attended a SAP workshop and submitted an appeal