

## Private Educational Loan Information

Students may choose any private lender of their choice; however, they are not required to use any of these private education loan lenders. Dorsey Schools will promptly process the application for any lender that is selected. Students and parents should first apply for Federal Student Aid before resorting to Private Educational Loans.

Borrowers who are interested in obtaining private education loans **may qualify for federal student loans or other assistance under Title IV of the Higher Education Act** and should apply for such federal aid before applying for a private education loan. The terms and conditions of loans made, insured, or guaranteed under Title IV of the Higher Education Act typically will be more favorable than the provisions of private education loans. If the student decides to use private educational loans, they may select any lender of their choice.

### **Additional information for Students and Parents**

Below we have listed the maximum eligibility amounts of federal student grant, work study and loan funds that are available for students under Title IV of the Higher Education Act to the extent they qualify for. The Direct Loans are made through the William D. Ford Federal Direct Loan Program, which is administered by the U.S. Department of Education.

The availability and eligibility amounts for Supplementary Educational Opportunity Grant (SEOG) and Federal Work Study programs may differ from one Dorsey School location to another, based on allocations received from the US Department of Education. All grant, work study and loan programs, except for the Direct Unsubsidized Loan and the PLUS Loan, are based on a student's need as determined by the information provided on the Free Application for Federal Student Aid (FAFSA) and cost of attendance at the institution. The amounts listed below are for the current award year.

### **SUMMARY**

#### ***Pell Grant***

Maximum award for full time enrollment – \$5815

#### ***Supplementary Educational Opportunity Grant (SEOG)***

From \$150 to \$1200

***Federal Work Study Program (FWS)*** – *This program is designed to assist students with their educational expenses through part-time employment, and encourage community service involvement. Employment earnings are paid directly to the student.*

***Direct Subsidized Stafford Loan*** - *No interest is charged while you are enrolled at least half-time or during deferment periods. For loans first disbursed before July 1, 2012, and after July 1, 2014, no interest is charged during your grace period also.*

First Year – \$3500

Second Year – \$4500

Third or Fourth Year - \$5500

***Additional Direct Unsubsidized Stafford Loan (Dependent Students whose parents were not denied a PLUS loan)*** - *Interest is charged during all periods, including while you are in school, during grace period and deferment period.*

First Year - \$2000

Second Year - \$2000

Third or Fourth Year - \$2000

***Direct Unsubsidized Stafford Loan (Independent Students and Dependent Students whose parents were denied a PLUS loan)*** - *Interest is charged during all periods, including while you are in school, during grace period and deferment period.*

First Year - \$6000

Second Year - \$6000

Third or Fourth Year - \$7000

***Direct Parent Loan to Assist the Student (PLUS)*** – *This loan program allows parents to borrow for eligible students. The eligibility amount is up to the Cost of Attendance less other financial aid awarded, after an approved credit check.*

## Private Educational Loan Information

### **How can I reduce the amount I need to borrow?**

Developing and sticking to a budget while you're in school can help you minimize the amount you need to borrow. Make a list of your expected monthly expenses and subtract that from your available sources of income, such as your student aid and any outside employment. If your income is less than your expenses, you'll need to reduce your expenses, find other sources of income or both.

Additionally, students can see how much they can afford to repay based on their estimated income and expenses after you leave school. This estimated budget can help to determine how much students can afford to borrow to go to school. Help can be found on the web by using the interactive budget work sheet and calculator on the Direct Loan Web site at: [www.direct.ed.gov](http://www.direct.ed.gov).

### **Selecting a Private Educational Loan**

Students have a variety of options if they choose to apply for private loans. Dorsey Schools does not use a preferred lender list; we can provide students with a list of private education loan lenders that have offered private loans to our students over the past four years. Students should select a private lender of their choice; they are not required to use any of the lenders that our students have previously used. Dorsey Schools will promptly process the application for any lender that is selected by students. Students and parents should first apply for Federal Student Aid before resorting to private educational loans.

### **Dorsey Institutional Loan**

Dorsey Schools also offers a private institutional loan to eligible students that have a gap in their Federal Student Aid and the amount of their institutional tuition and fees. This institutional loan can only be used to cover direct cost incurred by the student (e.g. tuition, fees); it cannot be used to cover other educationally related expenses that a student may have (e.g. travel, room & board, etc.).

We have contracted a servicer to assist students that choose to apply for the Dorsey Institutional Loan program; Tuition Options is this servicer. Students will begin using Tuition Options starting with the application process and throughout the life of the loans, including repayment. Students can apply or access their loan information at <http://www.tuitionoptions.com/Students.aspx>.

Students can also contact their financial aid office at any time, if they have any questions or for additional information.

### **What is a Loan Modification?**

Under the Loan Modification Program, an agreement can be made between you, your lender/school and Tuition Options to adjust your original private education loan terms. An extension of term, fixed step payment (where payment amounts may change over time) or forbearance period (a temporary period where no payment will be due though interest may still accrue) may be an option for you. The proposed new terms are subject to approval by the lender/school and a secure e-signature from the borrower/co-borrower may be required. \*

#### **You may be eligible for a loan modification if:**

- Your monthly payment amount increased and you are having difficulty paying
- You are experiencing a verified financial hardship
- You are behind on your payment(s) or may fall behind soon and are unable to make the required monthly payment

#### **How can I learn more?**

If your private student loan account is serviced by Tuition Options, contact a Customer Service Representative today at 800.423.5513 to discuss loan modification options.

On this web page, you will also find links to the following documents that are required when applying for a Dorsey Institutional Loan.

***Dorsey Institutional Loan Private Educational Loan Disclosure\_Approval Disclosures***  
***Dorsey Institutional Loan Private Educational Loan Disclosure\_Right to Cancel***  
***Dorsey Institutional Loan Private Educational Loan Disclosure\_Self Certification***  
***Dorsey Institutional Loan Private Educational Loan\_Promissory Note***