



# How to Apply for a Stafford Loan

## Selecting Your Student Loan Lender

New borrowers frequently ask for help in selecting a reliable lender. You will find a list of recommended lenders below, but you are not obligated to make your selection from this list. We are confident that you will receive efficient, dependable service from all of these lenders. If you have borrowed previously, we encourage you to stay with your original lender to avoid having to manage repayment with multiple lenders. An education loan is a serious financial and legal obligation that must be managed responsibly and be repaid. Borrow only the amount you need to cover your education costs, because the decisions you make today will affect your finances in the future.

## Stafford Loan Interest Rate, Fees and Servicing

For undergraduates, the interest rate for new Federal Subsidized Stafford Loans is fixed at 5.6% and interest will not accrue while the borrower is in school or during the 6-month grace period that follows the in-school period.

Federal Unsubsidized Stafford Loan's interest rate is fixed at 6.8% and interest will accrue while the borrower is in school or during the 6-month grace period following the in-school period.

Each lender may charge up to a 0.5% origination fee.

Each guarantor may charge a 1% default fee.

All loans will be serviced by Great Lakes Educational Loan Services, Inc. (1-800-236-4300) unless noted in the Special Benefits section for the lender below.

## Apply Online or to Learn More About the Federal Stafford Loan

If you would rather, you may apply for your Federal Stafford Loan online. You can also learn more about the Federal Stafford Loan by going to [www.msoe.edu/finaid/loans](http://www.msoe.edu/finaid/loans) and then click on *Stafford Loans*.

## Preferred Stafford Lender List

Please select a lender from below. On the Master Promissory Note (MPN), be sure to indicate the preferred lender's name in item #8 (lender's address not required) and the lender code in item #9.

Lender	Lender Code	Special Benefits
Chase	808956	• 0.25% interest rate reduction for automatic payments
Sallie Mae	862218	• 0.25% interest rate reduction for automatic payments
Discover	891312	• 0.25% interest rate reduction for automatic payments

**Milwaukee School of Engineering**  
1025 North Broadway,  
Milwaukee, WI 53202-3109  
(800) 778-7223  
Fax: 414-277-6952  
[www.msoe.edu/finaid](http://www.msoe.edu/finaid)

**MSOE's Lender Selection Policy Disclosure:** The lenders selected above were rated on various aspects of their Stafford, Parent PLUS, and alternative loan products. Each lender that submitted information to MSOE went through detailed scoring of each loan product including but not limited to benefits offered, approval rates, loan servicing, and other services offered to MSOE students. Lender selection will be reviewed annually to ensure that the benefits that lenders offer continue to adhere to our student's needs. Any lender that no longer adheres to our needs will be removed, and new lenders that meet our criteria are added. At least three lenders will be presented to you at all times. You are free to select any lender, including those not presented. Application processing will not be delayed if you choose a lender not presented. MSOE maintains a professional relationship with all lenders. Our officials are prohibited from accepting financial or other benefits in exchange for displaying lenders. These include: receiving compensation to serve on any lender's board of directors or advisory boards; accepting gifts including trips and entertainment; allowing lenders to staff our institution's financial aid office; allowing lenders to place our institution's logo on any of their products; and owning lenders' stock (only pertaining to those college officials who make loan decisions for our institution).

# About the Master Promissory Note (MPN)

To avoid delay in processing your MPN, follow all instructions and double-check your MPN or omissions or errors. Print all information in BLACK ink. Make sure you have answered questions 1 through 17.

## Check Your Application For Accuracy

### Item 6

Enter driver's license number or mark "N/A"

### Item 8 & 9

If blank, enter the lender's name, city, state, ZIP and the lender's code number.

### Item 10

Reference section must be completed

### Item 16 & 17

Student signs and dates application

<b>Federal Family Education Loan Program (FFELP)</b> <b>Federal Stafford Loan</b> <b>Master Promissory Note</b> <small>WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to penalties which may include fines, imprisonment, or both, under the United States Criminal Code and 20 U.S.C. 1097.</small>		Guarantor, Program, or Lender Identification OMB No. 1845-0006 Form approved Exp. date 9-30-2005
<b>Borrower Information</b> <span style="float: right;"><i>Please print neatly or type. Read the instructions carefully.</i></span>		
1. Last Name _____	First Name _____	2. Social Security Number _____
3. Permanent Street Address (If P.O. Box, see instructions.) _____		4. Home Area Code/Telephone Number _____
5. Driver's License State and Number _____		6. Date of Birth (Month/Day/Year) _____
7. E-mail Address _____		8. Lender Code, if known _____
10. References: You must provide two separate references with different U.S. addresses. The first reference should be a parent (if living) or legal guardian. Both references must be completed in full.		
Name _____	A. _____	B. _____
Permanent Address _____	_____	_____
City, State, Zip Code _____	_____	_____
E-mail Address _____	_____	_____
Area Code/Telephone Number ( ) _____	( ) _____	_____
Relationship to Borrower _____	_____	_____
11. Requested Loan Amount: I request a total amount of subsidized and unsubsidized loans under this Master Promissory Note not to exceed the allowable maximums under the Higher Education Act. My school will notify me of the type(s) and amount(s) of loan(s) that I am eligible to receive. I may cancel my loan or request a lower amount by contacting my lender or school. Additional information about my right to cancel a loan or request a lower amount is included in the Borrower's Rights and Responsibilities Statement and Disclosure Statements that have been or will be provided to me.		12. Interest Payments (Optional): <input type="checkbox"/> I want to pay unsubsidized interest while I am in school.
<b>Borrower Certifications and Authorizations</b> <span style="float: right;"><i>Read carefully before signing below.</i></span>		
13. Under penalty of perjury I certify that: A. The information I have provided on this Master Promissory Note and as updated by me from time to time is true, complete, and correct to the best of my knowledge and belief and is made in good faith. B. I will immediately repay any loan proceeds that cannot be attributed to educational expenses for attendance on at least a half-time basis at the school that certified my loan eligibility. C. (i) I do not now owe an overpayment on a Federal Pell Grant, Supplemental Educational Opportunity Grant, or a Leveraging Educational Assistance Partnership Grant (formerly State Student Incentive Grant); or, if I owe an overpayment, I have made repayment arrangements with the holder to repay the amount owed. (ii) I am not now in default on any loan received under the Federal Perkins Loan Program (including NDSL loans), the Federal Direct Loan Program, or the Federal Family Education Loan Program ("FFELP" as defined in the Borrower's Rights and Responsibilities Statement); or (iii) I am in default on a loan, and I have made satisfactory arrangements with the holder of the defaulted loan.		
14. For all subsidized and unsubsidized Federal Stafford Loans (as described in the additional MPN provisions and the Borrower's Rights and Responsibilities Statement) I receive under this Master Promissory Note, and for certain other loans as described below, I make the following authorizations: A. I authorize my school to certify my eligibility for loans under this Master Promissory Note. B. I authorize my school to transfer loan proceeds received by electronic funds transfer (EFT) or master check to my student account.		
C. I authorize my school to pay to the lender any refund that may be due up to the full amount of the loan(s). D. I authorize the lender, the guarantor, or their agents, to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information. E. I request and authorize my lender to: (i) during the in-school and grace periods of any loans made under this Master Promissory Note, defer and align the repayment of principal on all of my FFELP loans that are in repayment status; and (ii) add unpaid interest that accrues on all my FFELP loans to the principal balance of such loans ("capitalization") including such loans made under this Master Promissory Note, during forbearance periods, and for unsubsidized loans, during in-school, grace, and deferment periods as provided under the Act. "Capitalization" will increase the principal balance on my loans and the total amount of interest charges I must pay. F. I authorize the release of information pertinent to my loans: (i) by the school, the lender, and the guarantor, or their agents, to the references on the applicable loans and to members of my immediate family unless I submit written directions otherwise; and (ii) by and among my schools, lenders, guarantors, the Department of Education, and their agents. G. So that the loans requested can be approved, I authorize the Department of Education to send any information about me that is under its control, including information from the Free Application for Federal Student Aid, to the school, the lender, and to state agencies and nonprofit organizations that administer financial aid programs under the FFELP.		
<b>Promise to Pay</b> <i>In this Master Promissory Note (MPN), "lender" refers to, and this MPN benefits, the original lender and its successors and assigns, including any subsequent holder of this MPN.</i>		
15. I promise to pay to the order of the lender all loan amounts disbursed under the terms of this MPN, plus interest and other charges and fees that may become due as provided in this MPN. I understand that multiple loans may be made to me under this MPN. I understand that by accepting any disbursements issued at any time under this MPN, I agree to repay any amount so disbursed to the lender by making payments to the lender in accordance with the terms of this MPN, including by returning all or a portion of any disbursement that is issued, unless I make interest payments, interest that accrues on my unsubsidized loans during in-school, grace, and deferment periods will be added as provided under the Act to the principal balance of such loans. If I do not make any payment on any loan made under this MPN when it is due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees, I will not sign this MPN before reading the entire MPN, and I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees, I will not sign this MPN before reading the entire MPN, even if I am told not to read it, or told that I am not required to read it. I am entitled to an exact copy of this MPN and the Borrower's Rights and Responsibilities Statement, My signature certifies I have read, understand, and agree to the terms and conditions of this MPN, including the Borrower Certifications and Authorizations printed above, the Notice About Subsequent Loans Made Under This MPN, and the Borrower's Rights and Responsibilities Statement.		
<b>I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MPN, AND THAT I MUST REPAY ALL LOANS THAT I RECEIVE UNDER THIS MPN.</b>		
16. Borrower's Signature _____		17. Today's Date (Month/Day/Year) _____

### Final Steps

■ Review your application/MPN. Be sure you have completed both sections. If you have changed or altered any information in any way, you must initial the change. Be sure that each item is typed or printed legibly, in BLACK ink. Make sure that you have SIGNED (not printed) your name on line 16 and that you have dated your application/MPN on line 17.

■ Before loan funds can be released to your account, you must complete a required online entrance counseling at: [www.msoe.edu/finaid/loans](http://www.msoe.edu/finaid/loans)

■ When you are confident that you have properly completed all of the items, forward the lender copy to:

**Great Lakes Educational Loan Services, Inc.**  
**P.O. Box 7987**  
**Madison, WI 53707-7987**

For parent loan information please visit our Web site at [www.msoe.edu/finaid/loans](http://www.msoe.edu/finaid/loans).  
 Click on **Parent loans for Undergraduate Students (PLUS loans)**.