



### Waiver of FAFSA Submission Form

**By signing this document you the borrower as “student” acknowledge the following:**

- We, the “University”, will only certify alternative/educational loans up to the Cost of Attendance (COA) as determined for the period of enrollment, and based on the COA established by the Financial Aid Office for that period of enrollment.
- Once an alternative/educational loan is certified, only a decrease in the amount can be made. An increase requires a new loan application with your lender, possibly a new credit check, and a new Alternative Loan Request form.
- I understand I am responsible for meeting all requirements of the loan, e.g. enrollment, satisfactory academic progress, etc.
- The “University” reserves the right to return alternative/educational funds to the lender for cancellation if the student doesn’t meet the requirements for the loan, e.g. enrollment, satisfactory academic progress, etc.
- There may be a 7-10 business day processing time during peak seasons.
- I have read *Federal Student Loans vs. Private Loans* on the reverse of this Waiver of FAFSA Submission Form: \_\_\_\_\_ (initial here)

**Please fill and sign the following, and return to the Financial Aid Office:**

I, \_\_\_\_\_ am either not eligible to complete the Free Application for Federal Student Aid (FAFSA) for federal financial aid, or choose not to complete the FAFSA and pursue other funding options, including but not limited to alternative loans. This statement will cover the academic year \_\_\_\_\_, and I must complete a new statement each aid year.

\_\_\_\_\_  
Student Signature

\_\_\_\_\_  
HPU Student ID Number

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone Number

## Federal Student Loans vs. Private Loans

| <b>Federal Student Loans</b><br>(loans from the government or guaranteed by the government)  | <b>Private Student Loans</b><br>(Nonfederal loans from a bank, credit union, or other financial institution).   |
|--|---|
| You will not have to start repaying your federal student loans until you graduate, leave school, or change your enrollment status to less than half-time.  | Many private student loans require payments while you are still in school.  |
| The interest rate is fixed and is often lower than private loans - and much lower than some credit card interest rates. View the <b>current interest rates on federal student loans</b> :<br><a href="https://studentaid.ed.gov/types/loans/interest-rates">https://studentaid.ed.gov/types/loans/interest-rates</a> | Private student loans can have variable interest rates greater than <b>18 percent</b> .   |
| Undergraduate students with financial need will likely qualify for a subsidized loan where the government pays the interest while you are in school on at least a half-time basis.   | Private student loans are not subsidized.   |
| You don't need to pass a credit check to get a federal student loan (except for PLUS loans). Federal student loans help you establish a good credit record.  | Private student loans may require an established credit record. The cost of a private student loan depends on your credit score, which you may not yet have as a student. |
| You won't need a co-signer in most cases.  | You may need a co-signer.   |
| Some interest is tax deductible.   | Interest may not be tax deductible.   |
| Loans can be consolidated into a Direct Consolidation Loan. Learn about your consolidation options:<br><a href="https://studentaid.ed.gov/repay-loans/consolidation">https://studentaid.ed.gov/repay-loans/consolidation</a>   | Private student loans cannot be consolidated into a Direct Consolidation Loan.  |

Source: The table can be found on *Federal Versus Private Loans* from the website of the U.S. Department of Education, *Federal Student Aid*: <http://studentaid.ed.gov/types/loans/federal-vs-private>

Effective February 14, 2010, the Federal Reserve Board approved final rules on **Regulation Z\*** (Truth in Lending Act) that revises the disclosure requirements for private education loans. Private education loans will not include some institutional loans such as tuition payment plans, most short-term institutional loans, or the Emergency Payment option.

Under the new laws, a lender offering private loans for postsecondary educational expenses must **first** provide a disclosure about loan terms and features at the time of application and must disclose information about federal student loan programs that may offer less costly alternatives. If the initial application reaches an approval status, a **second** loan disclosure statement must be provided to the student at that time. If a student accepts the loan terms provided in the second disclosure statement, a **third** final disclosure must be provided when the loan is consummated.

A lender must also provide the student with a 3 day rescission or "Right-to-Cancel" period after the final loan disclosure form is sent to the student. The Right-to-Cancel period means that once HPU has certified your loan and all disclosures are sent, there is a mandatory 3 business day waiting period before the lender may disburse loan funds to the school. Note: If a lender only offers a mailed Final Disclosure (not online), then they must wait 6 days to disburse the loan to the school (3 days for mail time and an additional 3 day rescission or "right-to-cancel" period).