(This is a fillable form, type all answers before printing OR print blank form, complete in ink and write clearly)

YCCD Direct Loan Quiz

____ ____

Last Name First MI SS or ID#

1. The cost of attendance includes six components/expenses. Name three of the components. Refer to the Cost of Education chart located online on the Financial Aid General Information site at yc.yccd.edu.

   1. ____ 2. ____

   3. ____

2. The maximum Federal Direct Loan amount a student can borrow as an undergraduate at Yuba College is:

   Dependent Student: First Year ________________________ Second Year ________________________

   Independent Student: First Year ________________________ Second Year ________________________

3. What fees are borrowers charged to originate the loan? ____

4. What is the maximum interest rate a student will pay on a student loan? _______________________________________

5. A student is not eligible to receive a Federal Direct Loan and/or receive any unpaid portion of their student loan if they do not make Satisfactory Academic Progress. ☐ True ☐ False

6. The federal government does not charge interest on Direct Subsidized Loans while the student is enrolled at least half-time, during six-month grace period, or during authorized period of deferment. ☐ True ☐ False

7. After leaving school, I am required to make monthly payments on my loan unless I am granted a deferment or forbearance. ☐ True ☐ False

8. If you fail to repay your student loan, you will be considered in default. Name two consequences that may result from being in default:

   1. ____

   2. ____

9. Name two types of deferments:

   1. ____ 2. ____

10. Name two instances when you should contact your lender:

    1. ____ 2. ____

11. Choose the description from the second column that best defines each word in the first column:

1. Capitalization	__________	A. A postponement of payment on a loan that is allowed under certain conditions and during which interest does not accrue for subsidized loans.
2. Default	__________	B. A legally binding contract between a lender and a borrower. The document contains the terms and conditions of the loan, including how and when the loan must be repaid.
3. Deferment	__________	C. Adding unpaid interest to the loan principal. This increases the principal amount of the loan and its total cost.
4. Forbearance	__________	D. A six-month period before the first payment must be made on a subsidized or unsubsidized Stafford loan. It begins the day after the borrower ceases to be enrolled at least half time.
5. Grace Period	__________	E. A postponement of payment on a loan, typically if the borrower doesn't qualify for a deferment and is unable to make payments for a reason such as poor health. Interest continues to accrue.
6. Promissory Note	__________	F. Failure to repay a loan according to the terms of the promissory note. This failure must persist for 270 days.