



## **NOTICE OF AVAILABILITY OF INSTITUTIONAL AND FINANCIAL AID INFORMATION**

Financial aid is available for those students that meet the necessary requirements. House of Heavilin Beauty College participate in the Pell Grant Program and the Federal Direct Loan Program. In general, financial aid is awarded based on need.

Prospects or students needing assistance in obtaining Institutional and Financial Aid Information can contact the school's Financial Aid office.

### **STUDENT LOAN INFORMATION**

#### **Assistance Available from Federal, State, Local and Institutional Programs**

##### **Federal Pell Grants**

Federal Pell Grants are awards of Federal Aid funds, which do *not* have to be paid back. This grant is available for undergraduates that have not earned a bachelor's or professional degree. The amount awarded is determined by the U.S. Department of Education, based on the student's needs. A Federal Pell Grant is an entitlement, which means if a student qualifies for an award, he or she *will* receive it as long as the student meets the SAP requirements.

##### **William D. Ford Federal Direct Loan (Direct Loan) Program**

A Direct loan is a low-interest loan directly from the U.S. Department of Education (ED). Current rates may be found at <https://studentaid.ed.gov>

Federal Direct Subsidized loan is a low-interest, fixed-rate loan that **MUST** be paid back. Interest does not accrue while students are attending school, during the grace period, and during periods of deferment.

Federal Direct Unsubsidized loan is a low-interest, fixed-rate loan that **MUST** be paid back. Interest will accrue on this loan while the student is in school, during the grace period, and periods of deferment. A student can choose to pay the interest while in school.

Federal Direct PLUS loan is a low interest fixed rate loan that **MUST** be paid back. This loan is only available for parents of dependent students and the parent must complete a credit check prior to obtaining the loan.

**Loan Fees:** Most federal student loans have loan fees that are a percentage of the total loan amount. The loan fee is deducted proportionately from each loan disbursement you receive. This means the money you receive will be less than the amount you actually borrow. You're responsible for repaying the entire amount you borrowed and not just the amount you received. For current loan fees for Direct Subsidized, Unsubsidized Loans, and Direct PLUS Loans, please visit <https://studentaid.ed.gov>

##### **Veterans' Benefits**

Veterans' Benefits are not available in all institute locations, and only to those who qualify. If you served on Active Duty,

you might be eligible for education benefits offered by the Department of Veterans Affairs. For example, the Post-9/11 GI Bill provides financial support for educational and housing expenses to individuals with at least 90 days of aggregate service after September 10, 2001, or individuals discharged with a service-connected disability after 30 days. You must have received an honorable discharge to be eligible for the Post-9/11 GI Bill.

If you are currently serving in the military, you might be eligible for funding offered through the Department of Defense Tuition Assistance Program. Check your eligibility status and the amount for which you qualify with your Service prior to enrolling.

If you are the spouse or child of a service member who is serving on active duty Title 10 orders in the paygrades E1-E5, O1-O2, or W1-W2, you may be eligible for financial assistance from the Department of Defense for education, training, and/or the occupational license and credentials necessary for a portable career.

If you are the spouse or child of a service member, you may be eligible for transfer of the service member's Post-9/11 GI Bill benefits to you.

Borrowers may qualify for Title IV student financial aid. Terms and conditions of Title IV loans may be more favorable than private education loans.

### **Applying for Aid and Eligibility**

Any student who wishes to apply for federal Title IV financial assistance must complete the *Free Application for Federal Student Aid* (FAFSA). Students can complete the FAFSA online at [www.fafsa.gov](http://www.fafsa.gov). The FAFSA information is electronically transmitted to the U.S. Department of Education's Central Processing Service (CSP). Once processed, the school will receive an Institutional Student Information Record (ISIR) that is used to determine the student's eligibility for financial assistance. To be eligible for federal aid an applicant must:

- Be enrolled in an eligible program
- Have a valid Social Security Number
- Be a U.S. citizen or eligible non-citizen
- Demonstrate need (need is the difference between the cost of education and the amount that you or your family can afford to pay). Need is determined by the information that is supplied on the FAFSA.
- Not be in default on any Federal Title IV student loan
- Not owe a Pell refund at any school
- Have a high school diploma or its equivalency
- Be registered with Selective Services (males only)
- Maintain satisfactory progress towards completion of the course of study

### **Initial Loan Counseling for Student Borrowers**

The institution ensures that student loan borrowers of a Federal Direct Loan will receive entrance counseling prior to the first disbursement of the loan. The counseling will include:

- An explanation of the use of the Master Promissory Note
- The effect of the loan on the borrowers eligibility for other forms of aid
- The importance of repayment obligation
- Obligation to repay the full amount of the loan regardless of completion of the program or completing within regular time, inability to obtain employment, or is otherwise dissatisfied with or does not receive the educational or other services the borrower purchased from the school
- Information on accrual and capitalization of interest

- Option of paying unsubsidized loan interest while in school
- Information on the Borrowers Right and Responsibilities
- Sample of monthly repayment amounts
- Consequences of Default
- Information about NSLDS and how the borrower can access their loan records
- Definition of half-time enrollment and consequences of not maintaining half-time enrollment
- Contact information for individuals the borrower may contact with questions about the borrower's rights and responsibilities or other terms and conditions of the loan.

Student loan counseling is available by visiting: <https://studentloans.gov> and clicking on Complete Entrance Counseling.

A student entrance loan video introduction can be found here: <https://youtu.be/7vyXLW4dvzs>

### **Loan Repayment Obligation and Repayment Options**

Repayment of these loans (excluding PLUS) begins six months after the student's last day of attendance. If a student leaves school, he or she must contact ED to arrange a repayment schedule. A student is considered to have left school if he or she falls below half-time status as defined by the school, graduates, or drops. The amount of loan repayment depends upon the size of the debt; the larger the loan, the higher the payments. Students should inquire as to the monthly payments before securing the loan. Student loan programs offer many different repayment options; the school Financial Aid Office can provide students information for the different repayment options.

Students who receive federal student loans sign a Master Promissory Note (MPN) which states the borrower is obligated to repay the student loan funds regardless of the student's graduation, withdrawal from school, or inability to obtain employment.

Failure to repay a Direct Loan can cause your loan to go into default. Defaulting on a loan can result in a court suit; loss of eligibility for other federal student aid, immediate repayment of the entire unpaid amount, garnishment of wages or tax refunds and future credit ratings may be affected.

Students can access information on their loans through the National Student Loan Data System (NSLDS) at [www.nsls.ed.gov](http://www.nsls.ed.gov). The school submits students' financial aid information to NSLDS and this information is accessible by guaranty agencies, lenders, and institutions as authorized users of the data system.

The method of payment for such awards is electronic transfer to the school; these disbursements are usually made in two or more payments. Aid from Federal programs does NOT automatically continue from one award year to the next; students *must* re-apply every award year.

### **Borrower's Rights**

- You have the right to receive a copy of your promissory note either before or at the time your loan is made.
- You are entitled to receive a disclosure statement before your loan repayment begins which includes information about interest rates, fees, loan balance, monthly payment amount, and the number of payments.
- If you qualify, you have the right to request a deferment of your loan payments for a specified period of time.
- If you qualify, you have the right to request a forbearance if you are unable to make payments and don't qualify for a deferment.
- You have the right to a grace period before your loan repayment period begins. However, your parents do not receive a grace period for a PLUS Loan. Your grace period begins when you leave school or drop below half-time status.

- You have the right to prepay all or any part of your loan(s) at any time without penalty.
- You must be notified in writing if your loan is sold to another lender or secondary market or transferred to another financial company for servicing. You must be informed regarding the identity of the new lender or loan holder, the address to which you must make payments and the telephone numbers of both the purchasing and selling lenders and servicers.
- You have a right to receive documentation that your loan(s) is/are paid in full.

### **Borrower's Responsibilities**

- You must repay your student loan(s) including accrued interest and fees even if you do not complete your education, are not satisfied with your education, or are not able to find employment.
- You must make your payments on time, even if you do not receive any notices from your lender or servicer.
- You must immediately notify the lender or servicer if you are unable to make a scheduled payment.
- If you apply for a deferment or forbearance, you must continue making loan payments until you are notified that your request has been granted.
- You must notify the lender regarding any reasons that might change your eligibility for a deferment.
- You must participate in exit counseling before you leave school.
- You must notify the lender in writing within 10 days if any of the following personal information changes:
  - Name
  - Address
  - Telephone Number
  - Social Security Number
  - References
  - Graduation Date
  - Less than half-time enrollment
  - Withdrawal from school
  - Transfer to another school

### **Termination of Financial Aid**

A student will lose all financial aid awards for the following reasons:

- Not making satisfactory progress in his/her attendance and academic studies.
- Being absent from school for a total of fourteen (14) consecutive calendar days.
- Not returning from an official leave of absence.

### **Reinstatement of Financial Aid**

A student may be reinstated for aid after:

- Achieving satisfactory progress.
- Re-entering after being dropped or withdrawn from the school.

### **Verification**

Once students complete and submit the Free Application for Federal Student Aid (FAFSA) to the Central Processing System (CPS), there is a possibility that the application will be selected for a process called "Verification". This is an

audit/review process in which the student's school of choice will be required to conduct the review in order to determine the student's aid eligibility. Generally, CPS will select the application for verification based on conflicting data, a change from the prior year or due to a random selection process. If the application is selected, an asterisk will appear on the Student Air Report (SAR), next to the Expected Family Contribution (EFC). However, the school's Financial Aid Office also is authorized to "Institutionally" select applications for this review process in cases of conflicting information.

### **Time period to submit verification documents**

Students are notified, in a timely manner, of all required documents to submit to the school. The verification process cannot begin and/or be completed until all required documents are submitted.

### **Exit Counseling for Student Borrowers**

The institution will provide counseling to borrowers of Federal Direct Loans shortly before the student ceases at least half-time enrollment. The exit counseling will provide information on:

- Average anticipated monthly repayment amount
- Repayment plan options
- Options to repay or pay on a shorter schedule
- Debt management strategies
- Use of Master Promissory Note
- Importance of student's repayment obligations
- Terms and conditions for forgiveness or cancellation
- Terms and conditions for deferment or forbearance
- Consequences of default
- Options and consequences of loan consolidation
- Tax benefits available to borrowers
- Obligation to repay the full amount of the loan regardless of completion of the program or completing within regular time, inability to obtain employment, or is otherwise dissatisfied with or does not receive the educational or other services the borrower purchased from the school
- Availability of the Student Loan Ombudsman's office
- Information about NSLDS

Student loan counseling is available by visiting: <https://studentloans.gov> and clicking on Complete Exit Counseling.