

Montana's
CHOICE

Federal Family Education Loan Program (FFELP) Federal Consolidation Loan Application and Promissory Note

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or any accompanying documents is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Guarantor, Program, or Lender Identification

OMB No. 1845-0036
Form approved
Exp. date 01/31/2010

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a loan account. What this means for you: Your name, address, date of birth, and other information collected in this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

Before You Begin

Read the Instructions for Completing the Federal Consolidation Loan Application and Promissory Note. Print using dark ink ballpoint pen or type. This form must be signed and dated by the applicant. ****PAGES 1, 2, AND 3 OF THIS FORM MUST BE SUBMITTED FOR YOUR APPLICATION TO BE PROCESSED.****

Section A. Borrower Information

1. Last Name		First Name	MI	2. Social Security Number	
3A. Permanent Address (Include Number, Street, Apartment Number; or Rural Route Number and Box Number, as applicable) City, State, Zip Code					
3B. Permanent Mailing Address, if different from 3A. (Include P.O. Box or General Delivery, as applicable) City, State, Zip Code					
4. Area Code/Telephone Number ()			5. Former Name(s)		
6. Date of Birth (mm-dd-yyyy)			7. Driver's License State and Number State #		
8. E-mail Address					
9. Employer Name					
Address					
City		State		Zip Code	Work Area Code/Telephone Number ()
10. Consolidating Lender Name					11. Lender Code, if known

Section B. Reference Information

References: You must provide two separate references with different addresses who have known you for at least three years. Both references must be completed in full. Do not include individuals who live with you (e.g., your spouse) or who live outside the United States.

12. Name	A. _____	B. _____
Permanent Address	_____	_____
City, State, Zip Code	_____	_____
E-mail Address (optional)	_____	_____
Area Code/Telephone Number ()	_____	() _____
Relationship to Borrower	_____	_____

Section C. Promissory Note (To be completed and signed by the borrower.)

(In this Promissory Note, "lender" refers to, and this Promissory Note benefits, the original consolidating lender and its successors and assigns, including any subsequent holder of this Promissory Note.)

13. Promise to Pay:

I promise to pay to the order of the lender all sums disbursed (hereafter "loan") under the terms of this Promissory Note (hereafter "Note") to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note. Unless I make interest payments, interest that accrues on my loan during forbearance periods and on the unsubsidized portion of my loan during deferment periods may be added, as provided under the Act, to the principal balance of my loan. If I do not make any payment on this Note 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 Note before reading the entire Note, 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 Note and the Borrower's Rights and Responsibilities Statement. My signature certifies I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Certification and Authorizations and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.

14. Borrower's Signature _____

Today's Date (mm-dd-yyyy) _____

Borrower Name _____ Social Security Number _____
Please print.

Section D.1. Education Loan Indebtedness — Loans You Want to Consolidate

Read the instructions before completing this section. List each federal education loan you want to consolidate, including each loan (if any) currently held by the lender that will be consolidating your loans. Use the Loan Codes listed in the instructions. The loan holder/servicer is the entity to which you send your payments. If you need to list additional loans, use the Additional Loan Listing Sheet included in this package. (If an Additional Loan Listing Sheet is not included, you may obtain one from your consolidating lender.) List each loan separately. Please print. **ONLY LIST LOANS THAT YOU WANT TO CONSOLIDATE IN THIS SECTION.**

15. Loan Code (See Instructions)	16. Loan Holder/Servicer Name and Mailing Address (See Instructions)	17. Loan Account Number	18. Interest Rate	19. Estimated Payoff Amount

20. Grace Period End Date – If any of the loans that you have selected for consolidation are in a grace period, you can delay the processing of your Federal Consolidation Loan until the end of your grace period by entering your expected grace period end date in the space provided. If you leave this field blank, your Federal Consolidation Loan will be processed and any selected loans that are in a grace period will enter repayment immediately upon consolidation. (month/year) _____

Section D.2. Education Loan Indebtedness — Loans You Do Not Want to Consolidate

Read the instructions before completing this section. List each education loan that you are not consolidating but want considered in calculating your maximum repayment period. Remember to include each loan (if any) held by the lender that will be consolidating your loans, but that you do not want to include in your Federal Consolidation Loan. Use the Loan Codes listed in the instructions. The loan holder/servicer is the entity to which you send your payments. If you need to list additional loans, use the Additional Loan Listing Sheet included in this package. (If an Additional Loan Listing Sheet is not included, you may obtain one from your consolidating lender.) List each loan separately. Please print. **ONLY LIST LOANS THAT YOU DO NOT WANT TO CONSOLIDATE IN THIS SECTION.**

21. Loan Code (See Instructions)	22. Loan Holder/Servicer Name and Mailing Address (See Instructions)	23. Loan Account Number	24. Interest Rate	25. Current Balance

Borrower Name _____ Social Security Number _____
Please print.

Section E. Repayment Plan Selection (Check one box below.)

Before completing this section, carefully read the instructions for Item 26 and any supplemental materials on repayment options provided by your lender. If you have any questions or need additional information, contact the lender that will be consolidating your loans. If you do not complete this item, the consolidating lender will provide a standard payment schedule that does not exceed the maximum repayment period allowable for the amount of your loan.

26. Repayment Options (Check the box that corresponds to your repayment plan selection.):

- A. ☐ Standard Payments B. ☐ Graduated Payments C. ☐ Income-sensitive Payments D. ☐ Extended Payments

Section F. Borrower Certification and Authorizations

27. Under penalty of perjury, I certify that:

- A.** The information I have provided on this Federal Consolidation Loan Application and 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 do not have any other application pending for a Federal Consolidation Loan.
- C.** All of the loans selected for consolidation have been used to finance my education or the education of my dependent student(s).
- D.** All of the loans selected for consolidation are in a grace period or in repayment (including loans in deferment or forbearance).
- E.** If I have an outstanding Federal Consolidation Loan, I am eligible for another Federal Consolidation Loan because: (i) I have another eligible loan(s), or (ii) I am consolidating a Federal Consolidation Loan with at least one other eligible loan.
- F.** If I owe an overpayment on a Federal Perkins Loan, Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Academic Competitiveness Grant (ACG), National Science or Mathematics Access to Retain Talent (SMART) Grant, or Leveraging Educational Assistance Partnership Grant, I have made satisfactory arrangements with the holder to repay the amount owed.
- G.** I am not now in default on any loan that I am consolidating, or, if I am in default, I have either (a) made satisfactory arrangements with the holder of the defaulted loan(s) to repay the amount owed, or (b) for Federal Stafford, SLS, PLUS, or Consolidation loans, I agree to repay the Federal Consolidation Loan under income-sensitive repayment terms.
- H.** If I have been convicted of, or pled *nolo contendere* (no contest) or guilty to, a crime involving fraud in obtaining federal student assistance under Title IV of the Higher Education Act of 1965, as amended, I have completed the repayment of those funds to the U.S. Department of Education (the Department), or to the loan holder in the case of a Title IV federal student loan.
- I.** I am not subject to a judgment secured through litigation or to an order for wage garnishment, except as I have disclosed.

28. I make the following authorizations and statements of understanding:

- A.** I understand that the amount of my Federal Consolidation Loan will be based on the payoff amounts of my outstanding eligible loans that I selected for consolidation, as provided by the holders of those loans, and may exceed my estimate of such payoff amounts. The actual payoff amounts may differ from the estimated payoff amounts because the holders will include unpaid principal,

unpaid accrued interest, and other costs as permitted by federal regulations in the payoffs reported to the consolidating lender. I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of the Federal Consolidation Loan and, in the case of Federal Stafford, SLS, PLUS, or Consolidation loans in default and held by a guaranty agency, may not exceed 18.5 percent of the outstanding principal and interest on the loan at the time the holders certify the payoff amounts.

- B.** I understand that I may no longer be eligible for some deferments and for subsidized deferment periods on some loans being consolidated. I also understand that I may no longer be eligible for some loan discharges and types of forgiveness that were available on the loans being consolidated.
- C.** I authorize the consolidating lender to contact the holders identified on my application to determine the eligibility and/or payoff amounts for the loans I have selected for consolidation. I further authorize those holders to release that information.
- D.** I authorize the consolidating lender to send the proceeds of my Federal Consolidation Loan to each holder of the loans I have identified to pay off the debts.
- E.** If the amounts my consolidating lender sends to my holders exceed the amounts needed to pay off the balances of the selected loans, I understand that the holders will refund the excess to my consolidating lender to be applied against the outstanding balance of this loan. If the amounts my consolidating lender sends to my holders are less than the amounts needed to pay off the balances of the loans selected for consolidation, I will be responsible for notifying my consolidating lender about the remaining amounts. I authorize the consolidating lender to include the remaining amounts in this Federal Consolidation Loan, unless I pay off the remaining balances.
- F.** I authorize the consolidating 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.
- G.** I authorize the release of information pertinent to my loan: (i) by the school(s), the lender, and the guarantor, or their agents, to the references on this loan and to members of my immediate family unless I submit written directions otherwise; and (ii) by and among my schools, lenders, guarantors, the Department, and their agents.
- H.** If I have HEAL loans serviced by the consolidating lender and such loans are not included in this Federal Consolidation Loan, I authorize the establishment of a combined payment plan on my behalf.

Review your Federal Consolidation Application and Promissory Note to ensure you completed all sections, including Section E above.