



Fulton-Montgomery
Community College

2020-2021 Private (Alternative) Loan Student Certification Form

Last Name

First Name

MI

Student ID Number

Students who plan to apply for a private student loan should be aware of the differences between federal and private loans. It is recommended that students apply for federal and state funding first to utilize any grants and/or low cost federal loan options. Federal student loans include many benefits such as fixed interest rates and income-driven repayment plans not typically offered with private loans. In contrast, private loans are generally more expensive than federal student loans.

The Financial Aid Office at FM recommends that students complete both the FAFSA (Free Application for Federal Student Aid) and TAP (Tuition Assistance Program; NYS residents only) before borrowing from a private lending institution. Students considering a Private Student loan should compare interest rates, fees, repayment options, and deferment/forbearance possibilities to the low cost Direct Loans offered through the college.

Comparison of Federal vs Private (Alternative) Loans

Federal Student Loans	Private Student Loans
Repayment begins after graduation, leaving school or enrolling in less than part-time (6 credits)	Many private student loans require payments while you are still in school
Fixed interest rate – often lower than private loans	Can have a variable rate, some greater than 18%
Undergraduates may qualify for a subsidized loan that is interest free while in school enrolled at least half-time	Interest builds while you are in school
No credit check required or cosigner!	May require a credit check and a co-signer
Interest may be tax deductible	Interest may not be tax deductible
May consolidate with other direct loans	Cannot be consolidated with direct loans
Several repayment options	Check with lender for repayment options
Must be enrolled at least half-time	Check with lender for enrollment requirements

For more information go to: www.studentaid.gov/sa/types/loans/federal-vs-private

While attending FM where will you live?	On Campus <input type="checkbox"/>	At home with Parent <input type="checkbox"/>	In my own home <input type="checkbox"/>
What is your planned enrollment (credits) for:	Summer 2020 Semester: _____	Fall 2020 Semester: _____	Spring 2021 Semester: _____
2020-2021 FAFSA Filing Status	I will file a FAFSA <input type="checkbox"/>	I already filed a FAFSA <input type="checkbox"/>	I will not file a FAFSA <input type="checkbox"/>

Check **ONLY** the statement that is true for the 2020-2021 academic year. Your total financial aid, including your alternative loan, may not exceed your Cost of Attendance (COA).

- I DO NOT want my Alternative Loan application certified until my FAFSA application has been processed. Selecting this option will allow me to know what other federal financial aid options are available.
- I **only** want to borrow the alternative student loan regardless of other student loan eligibility. I understand that I will be declining all federal loan option that I am or could be eligible to receive. I understand that federal loans may offer a lower cost with borrower benefits that an alternative loan may not.
- I am an early admission student not eligible for federal financial aid.

SIGNATURE REQUIRED I have read and understand the statement on this form. The information I have provided is true and complete. I understand my financial aid options and wish to proceed with an Alternative Loan as indicated above.

Signature _____

Date _____