ALTERNATIVE LOAN BORROWING AT THE GSD

For students who have been awarded aid for next year, but still need additional loan funding, there are alternative loan options. Alternative loans, sometimes referred to as private loans, are not awarded as part of the original aid package. Rather, they are initiated by the student in the event that the award package does not provide enough funds to cover the academic budget. International students can borrow from the Harvard University Employee Credit Union (HUECU), or various other private lenders.

Harvard University Employee Credit Union Loan

One alternative loan option is the HUECU loan. Students can borrow up to a maximum yearly amount of $12,000 without a cosigner. Please review the Harvard Credit Union webpage (www.huecu.org/student-loans) for current rates and terms.

1. Complete the below alternative loan borrowers Entrance Interview Form and email the signed form to financial_aid@gsd.harvard.edu
2. Go to: https://www.huecu.org/student-loans/graduate-students/
3. Select the appropriate loan program
4. Complete the lender’s application process and follow the instructions.

Once you have completed the loan application process, we will be notified by the HUECU regarding your application and amount. At that time, we will add the loan to your anticipated aid so it can be reflected in the balance on your Harvard term bill.

Additional Alternative Loans

Other lenders offer alternative loans that will most likely require a credit-worthy cosigner. In some cases, you may receive a more favorable interest rate depending on your co-signer. Please review the Harvard website for such options:

Please contact the GSD Financial Aid Office if you have additional questions at financial_aid@gsd.harvard.edu

Helpful Hints

- If you add a credit worthy cosigner who is a U.S. citizen, you may be able to achieve a lower interest rate, depending on their credit.
- If a loan causes a credit on your bill, we will refund the excess to you for living expenses at the start of the semester.
GSD PRIVATE LOAN ENTRANCE COUNSELING FORM

Entrance Counseling is a format for us to help you understand what is involved with borrowing a loan for your education. If you choose to borrow a private loan, one of the requirements is that you review this information, sign, date, and return it to our office via email. If you have questions that are not covered in this information, you are encouraged to contact the Financial Aid Office. Your signature on this form indicates that you have reviewed and understand the concepts of this loan program. Additional information will be provided by the lender when you sign the loan documents.

Rights as a Private Loan Borrower

- A grace period after you leave school or drop below half-time status, before you begin repayment
- A disclosure statement, prior to repayment, that includes interest, fees, balance owed, and the number of payments
- Temporary deferment if you qualify and request it (limited to four years)
- Forbearance if you request it and meet your lender’s criteria
- Repay part or all of your loan at any time without early-repayment penalties
- Receive a copy of your promissory note
- Receive written notification from your lender if you loan is sold or transferred
- Receive written notification that your loans are paid in full

Responsibilities as a Private Loan Borrower

- Completing the application process with the Credit Union
- Understanding the affect loan fees and interest rates will have on the amount you are borrowing
- Exit Counseling before you leave school or drop below half-time
- Repaying your loans even if you do not complete your program, are unable to find employment, or are dissatisfied with the educational services that you purchased from your Institution
- Remembering that in-school deferment, along with grace period, is limited to 54 months
- Notifying your lender if you:
  - Change your address and/or phone number
  - Change your name
  - Withdraw from school or fall below half-time status
  - Change your expected date of graduation
  - Graduate
- Making monthly payments on your loan(s) after you leave school, unless you have a deferment or a forbearance

Consequences of Default on Your Private Loan

- Information about your loan will be reported to the National Credit Bureau, this can negatively affect your credit score
- You may lose forbearance and/or deferment options
- Your loan and accrued interest may become due and payable immediately
- Your loan may be referred to a collection agency
- You may be subject to legal action by the lender
- You may become ineligible to apply for future loans from your lender

Certification

I acknowledge that I have read and understand the above. My signature below certifies that I have received entrance counseling and understand my rights and responsibilities as a student borrower.

_______________________________  ________________________________  __________________
Student Signature                 Student Name (Print)                Date