

MASSACHUSETTS NO INTEREST LOAN PROGRAM

2008-2009 FACT SHEET

The **Massachusetts State No Interest Loan (NIL) Program** offers a zero interest, long-term student loan to financially needy Massachusetts residents for assistance in meeting postsecondary educational costs.

An **eligible student** must meet all the following conditions:

1. Be a permanent legal Massachusetts resident since August, 2007.
2. Be a U.S. citizen or a non-citizen eligible under Federal Title IV regulations.
3. Not yet received a Bachelor's Degree and currently pursuing a course of study in an eligible program at an eligible institution.
4. Maintain satisfactory academic progress in accordance with the school's academic standing policy.
5. Not in default on any federal or state student loans or owe a refund for any previous financial aid received.
6. Comply with Selective Service requirements.
7. Filed the Free Application for Federal Student Aid (FAFSA) by March, 2009.
8. Has an eligible Estimated Family Contribution (EFC).
9. Must provide requested documentation to the school if selected for verification.
10. Be enrolled full-time.

ALL NO INTEREST LOAN RECIPIENTS MUST SIGN A NO INTEREST LOAN PROMISSORY NOTE. RECIPIENTS WILL BE NOTIFIED WHEN PROMISSORY NOTES ARE AVAILABLE. In addition, they are responsible for completing a loan **entrance interview** and a loan **exit interview** to review the loan terms and conditions with designated school officials. EACH SEMESTER'S INVOICE WILL INCLUDE ONE-HALF OF THE MASSACHUSETTS NO INTEREST LOAN AMOUNT AS A CREDIT.

REPAYMENT: Massachusetts No Interest Loan recipients will receive a repayment schedule providing a minimum monthly payment of at least \$50. The loan repayment period may not exceed 10 years, excluding the 6-month grace period or the extension of deferments.

Late charges may be imposed in the event a borrower fails to make scheduled payments. If a borrower fails to make scheduled payments in accordance with the promissory note without receiving a deferment, the loan may be declared in default and immediate payment of the entire loan, including principal and late charges, may be demanded.

All borrowers are granted a 6-month grace period beginning at graduation, withdrawal, or dropping below at least half-time attendance. Borrowers may have Massachusetts No Interest Loan payments deferred for specified time periods for military service, graduate school, etc., provided proper documentation is received and processed.

Further information is available from the WPI Office of Financial Aid.