



# MASSACHUSETTS STATE NO INTEREST LOAN PROGRAM

## FACT SHEET

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

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

- Be a permanent legal Massachusetts resident since for one full year prior to the start of the academic year.
- Be a U.S. citizen or a non-citizen, eligible under Federal Title IV regulations.
- Not yet received a Bachelor's Degree or its equivalent and currently pursuing a course of study in an eligible program at an eligible institution.
- Be enrolled full-time (minimum 12 credits per semester or its equivalent).
- Maintain satisfactory academic progress in accordance with the school's academic standing policy.
- Not in default on any federal or state student loans or owe a refund for any previous financial aid received.
- Comply with Selective Service requirements.
- Filed the Free Application for Federal Student Aid (FAFSA) by March of the academic year.
- Has an eligible Expected Family Contribution (EFC) that has been certified by the institution.
- Must provide requested documentation to the school if selected for verification.

All No Interest Loan recipients must complete and sign a State No Interest Loan **Promissory Note** available from their school. In addition, must complete a loan Entrance/Exit Interview Form prior to receiving the loan funds.

## REPAYMENT

No Interest Loan recipients will receive a repayment schedule requiring a **minimum monthly payment** of at least \$50.00 at the time of repayment. 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 on time. If a borrower fails to make scheduled payments in accordance with the terms of the promissory note without receiving a deferment, the loan may be declared in **default** and immediate payment of the entire loan balance, 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 State No Interest Loan payments deferred for specific time period, provided proper documentation is received, processed and accepted by the Commonwealth of Massachusetts or its designee.

**Deferments** may be granted for:

- Enrollment of at least half-time in an eligible degree or certificate granting program.
- Hardship deferment (for up to 3 years) due to unemployment, long-term illness, disability, or other extenuating circumstances, approved by the Commonwealth of Massachusetts or its designee(s).
- Military deferment while serving as a member of U.S. Armed Forces, service in the commission corps of the U.S. Public Health Service, or active duty member of National Oceanic and Atmospheric Corps.
- Volunteer service in Peace Corps, ACTION Programs, or comparable full-time volunteer work for approved specified tax exempt organizations.

Further information is available from your school Financial Aid Office or contact the Massachusetts Office of Student Financial Assistance at (617) 391-6070.