



Module 6

1. What is the best way to think about the maximum amount of student loans you should borrow?
 - b. You can borrow up to three times what you will earn in your first year of employment after school.
 - c. Your loan payment should not exceed more than 10% of your gross monthly income.
 - d. b and c above are correct.

2. What is the way a student shows exceptional financial need to qualify for a Perkins loan?

Answer _____

- a. By having no savings account in their name.
- b. From information entered in the FAFSA.
- c. By the number of part-time jobs the student needs to get by in college.
- d. None of the above

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8. What are some disadvantages of private student loans as compared to federal student loans?

Answer _____

- a. The interest rates on private student loans are usually higher.
- b. If a student does not have a good credit history they may not be able to qualify for federal student loans.
- c. Repayment plans for these loans may not be as flexible as the federal student loans.
- d. All of the above are true.

9. What are some of the features of the flexible repayment plans for federal student loans?



11. What is NOT a possible consequence of going into default (failing to make payments) on a federal student loan?



14. It is easy to have a federal student loan cancelled or forgiven.

Answer _____

- a. True
- b. False

15. It is easy to have a private student loan cancelled or forgiven.

Answer _____

- a. True
- b. False

Name: _____ WSUId: _____

Visit www.mycollegemoneyplan.org for additional resources and information.