

# Your Right to Cancel Your Loans

You have the right to cancel your loans in whole or in part. Know your rights! Kettering University requires active acceptance of your loans via the [Banner Web system](#), or by completing a [Direct Loan Request Form](#). You may accept, reduce or decline your loans on the Banner Web system. Once you have initially submitted your response to your awards notice, you must take other steps to reduce or cancel your aid.

## **Canceling your Federal Direct Subsidized or Unsubsidized Loan:**

**Before your loan money is disbursed**, you may cancel all or part of your loan at any time by notifying Kettering University's Financial Aid office in writing.

**After your loan money is disbursed**, there are two ways to cancel all or part of your loan:

1. If your school obtains your written confirmation of the types and amounts of Title IV loans that you want to receive for an award year before crediting loan money to your account at the school, you may tell the school that you want to cancel all or part of that loan within 14 days after the date the school notifies you of your right to cancel all or part of the loan, or by the first day of your school's payment period, whichever is later (your school can tell you the first day of the payment period). If the school does not obtain your written confirmation of the types and amounts of loans you want to receive before crediting the loan money to your account, you may cancel all or part of that loan by informing the school within 30 days of the date the school notifies you of your right to cancel all or part of the loan. In either case, your school will return the cancelled loan amount to us. You do not have to pay interest or the loan fee on the part of your loan that you tell your school to cancel within these timeframes. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you tell your school to cancel. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that was cancelled. If you ask your school to cancel all or part of your loan outside the timeframes described above, your school may process your cancellation request, but it is not required to do so.
2. Within 120 days of the date your school disbursed your loan money (by crediting the loan money to your account at the school, by paying it directly to you, or both), you may return all or part of your loan to us. Contact the Direct Loan Servicing Center for guidance on how and where to return your loan money. You do not have to pay interest or the loan fee on the part of your loan that you return within 120 days of the date that part of your loan is disbursed. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you return. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that you return.

**This information was obtained from the William D. Ford Direct Loan Program Direct Unsubsidized Loan Borrower's Rights and Responsibility Statement. For additional information regarding your Federal Student Loans please refer to your Borrower's Rights and Responsibility Statement and your Master Promissory Note**