

How To Get Your Loan

1. Complete and submit the FAFSA online at www.fafsa.ed.gov.

2. If you are a **returning** student and have previously taken out a student loan, it is not necessary for you to complete a new Master Promissory Note unless you wish to choose a different lender. Students who choose to use the same lender for their student loan need only **print out a copy** of the previously completed Master Promissory Note. Go to www.mohela.com and attach it to the Student Loan Data Sheet.

If you are a **new** student or would like to choose a new lender, you will need to complete an **Electronic Master Promissory Note (E-MPN)**. Go to www.mohela.com and click on your choice of lender. Follow the instructions to complete the MPN and submit. Download and print a copy of your signed MPN for your records. If your lender of choice is not listed, please contact the financial aid office for a paper prom note.

3. All borrowers must complete Stafford Loan Entrance counseling annually at www.mappingyourfuture.org before loan funds can be disbursed.

4. Complete the attached Student Loan Data Sheet

VERY IMPORTANT INFORMATION

Note: Your loan amount may differ from the amount you applied for due to 1. It being over the maximum limit for your grade status. 2. Financial need and/or dependency status guidelines set by FAFSA results.

Loan funds are posted to the student account. Outstanding charges (tuition fees, books, supplies, etc.) are deducted prior to excess cash being released to the student.

**Note: Anticipated Disbursement date for Fall 2009 is Sept. 25, 2009.
Anticipated Disbursement date for Spring 2010 is February 26, 2010.**

We are required by Federal Law to receive and disburse any student loan funds for the Fall 2009 and Spring 2010 Semesters before the end of the Semester. The last day the Financial Aid Office can accept Fall 2009 loan information is **November 6, 2009** and the Spring 2010 loan information is **April 2, 2010**.

It is the student's responsibility to make sure all loan paperwork is received in the Financial Aid Office.

Thank You!

Questions and Answers About Federal Stafford Loan

Who May borrow Full or half-time undergraduate students who are enrolled in a degree or certificate-seeking program.

Does it matter if you have received student loans in the past?

Yes. If you have student loans from more than one lender or from other federal student loan programs, you are responsible for informing the financial aid office and your lender(s) about your other student loans. In some cases, you may not be eligible for loans for which you have applied.

What type(s) of Federal Subsidized Stafford Loans can you borrow?

Basically, there are two types of Federal Stafford Loans: The **Federal Subsidized Stafford Loan** is a low interest loan based on financial need as determined by the government. This loan does not have to be repaid until six months after you graduate or drop below half-time status. If you qualify for a Subsidized Stafford Loan, the government will pay the interest for you during the following periods.

- While you are enrolled in school at least half-time
- During the six month grace period after you graduate or stop attending school at least half-time;
- During periods of authorized deferment.

The **Federal Unsubsidized Stafford Loan** is not based on financial need. Unlike the Subsidized Stafford Loan, you (not the government) are responsible for paying the interest while you are in school, during the six-month grace period, and during periods of authorized deferment.

You can choose to pay the interest each month or you can wait until graduation to begin repayment. In that case, the interest accrues and will be added to the loan principal.

Note: *Independent students and dependent students whose parents cannot obtain Federal PLUS Loans*
The Financial Aid Office will determine first your eligibility for a *Subsidized* Stafford Loan, and then examine your eligibility for an *Unsubsidized* Stafford Loan.

What is the interest rate?

The interest rate on Stafford loans before July 1, 2006, is adjusted annually based on the 91-day Treasury bill rate, with a cap of 8.25%. For loans made on or after July 1, 2006, interest rates will be fixed at 6.8%.

Are there fees associated with borrowing?

Although the lender itself charges no fees, two types of loan fees may be deducted from each loan check. The US Department of Education charges a 2.5% origination fee, and the loan guarantor may charge up to 1% for a guarantee fee.

When will you receive your loan money?

You usually will receive your loan proceeds in two or more installments called "disbursements." The Financial Aid Office will determine the number of disbursements you will receive and the dates you will receive them.

When does repayment begin?

Repayment will begin six months after you graduate, leave school, or drop to less than half-time enrollment.

How long do you have to repay the loan?

Under Standard Repayment, you may take up to ten years for both Federal Subsidized and Unsubsidized Stafford Loans.

Federal Stafford Loan Maximums	Effective July 1, 2008		
Dependent	Subsidized	Unsubsidized	Total
Undergraduate			(Subsidized & Unsubsidized)
First Year	\$3,500 (0-29 cr. hrs)	\$2000	\$5,500
Second Year	\$4,500 (30+cr. hrs)	\$2000	\$6,500
Independent Undergraduates			
<small>(and dependents whose parents are unable to borrow under the Federal PLUS Program)</small>			
First Year	\$3,500 (0-29 cr. hrs)	\$6,000	\$9,500
Second Year	\$4,500 (30+ cr. hrs)	\$6,000	\$10,500

1. All undergraduate annual loan limits are subject to proration.
2. If the borrower does not show financial need for a Subsidized Stafford Loan, or has reached the annual limit in Subsidized Stafford Loans, the borrower may receive up to this entire amount in Unsubsidized Stafford Loans, Assuming he or she has remaining eligibility for the loan.

