

## STUDENT LOAN INFORMATION SHEET - - 2017-18 (updated 5/17/17)

*The information below provides a general overview of the Federal Direct Loan(s) included in your financial aid award letter, as well as instructions for first-time borrowers on how to apply for the loan. Information is also provided for other types of financing, including the Federal Parent Loan and alternative student loans.*

FEDERAL DIRECT STUDENT LOAN	FEDERAL PARENT (PLUS) LOAN	ALTERNATIVE STUDENT LOANS
<p>Subsidized Direct Loans are need-based loans where the Federal government pays the interest on the loans until the student leaves school. The 2017-18 interest rate is 4.45%.</p> <p>Unsubsidized Direct Loans are available to students not eligible for subsidized loans. Interest accrues immediately during in-school and deferment periods. The interest rate is 4.45% for undergraduate students and 6.0% for graduate students. Students whose parents are denied a PLUS Loan may borrow additional amounts.</p> <p>For either loan above, loan repayment begins six months after the student graduates or stops attending at least half-time (6 credits). The standard repayment period is up to ten years. Direct Loans carry a 1.069% federal origination fee.</p> <p>Refer to your award letter to determine the amount for which you are eligible.</p> <p><b>HOW TO APPLY</b></p> <ol style="list-style-type: none"> <li>Complete the e-MPN at <a href="http://www.studentloans.gov">www.studentloans.gov</a>. <ol style="list-style-type: none"> <li>Log in to <a href="http://www.studentloans.gov">www.studentloans.gov</a>.</li> <li>Select 'Complete Master Promissory Note'</li> <li>Select 'Subsidized/Unsubsidized'</li> <li>Follow instructions, filling in each section.</li> <li>If you encounter technical problems, call the Direct Loan Origination Center at 1-800-557-7394.</li> </ol> </li> <li>Complete entrance counseling at <a href="http://www.studentloans.gov">www.studentloans.gov</a>. (<i>FIRST-TIME STUDENT LOAN BORROWERS</i>) <ol style="list-style-type: none"> <li>Select 'Complete Counseling'</li> <li>Select 'Entrance Counseling'</li> <li>Follow instructions. Estimated time is 30 minutes.</li> </ol> </li> <li>Submit the MSM Direct Loan Certification Form to the Mount's Financial Aid Office. <ol style="list-style-type: none"> <li>Obtain a copy of the Certification Form from the Financial Aid Office or download the Form at <a href="http://www.msmary.edu/financialaidforms">www.msmary.edu/financialaidforms</a>.</li> <li>Refer to your financial aid award letter to determine the maximum amount you are eligible to request (both subsidized and unsubsidized).</li> <li>Complete the information on the form. Fill in the total amount (subsidized and unsubsidized, if appropriate) you wish to borrow in the box in middle of the page.</li> <li>Mail or fax (301-447-5915) the financial aid office.</li> </ol> </li> </ol>	<p>The Federal Direct (PLUS) Loan Program allows parents of undergraduate students to borrow up to the full cost of attendance minus other financial aid. Eligibility is based on a satisfactory credit check. The 2017-18 interest rate is fixed at 7.0%. There is a loan origination fee of 4.276 percent deducted from each disbursement. Therefore, the net disbursement amount equals 95.728% of each disbursement of the loan. Interest accrual begins on the date of the first disbursement. The parent has the option of beginning repayment either 60 days after the loan is fully disbursed or wait until six months after the dependent student on whose behalf the parent borrowed ceases to be enrolled at least half-time. For many parents interest paid on PLUS Loans is tax deductible. For more information, see the Internal Revenue Service's Publication 970, "Tax Benefits for Education," available online at <a href="http://www.irs.gov/formspubs/index.html">http://www.irs.gov/formspubs/index.html</a>.</p> <p><b>Maximum Loan Amount</b></p> <p>PLUS Loans may cover the full cost of attendance minus other financial aid. The cost of attendance includes tuition, room and board, as well as standard allowances for books and supplies, transportation, and personal expenses. Determine how much you wish to borrow for a full academic year. The total loan amount will be split evenly for the fall and spring semesters.</p> <p><b>HOW TO APPLY</b></p> <p>You must complete these necessary steps to apply for your Direct Parent Loan. Parents will need their FSA ID number to sign the MPN. If you do not have an ID number or if it is lost, go to <a href="http://www.fafsa.ed.gov">www.fafsa.ed.gov</a> and click on the FSA ID icon at the top of the page.</p> <ol style="list-style-type: none"> <li>Go to <a href="http://www.studentloans.gov">www.studentloans.gov</a>; log in; select "Request a Direct PLUS Loan;" then select "Parent PLUS Loan"</li> <li>Enter personal information, including student information and loan amount requested. <i>Be prepared for this question before logging onto the application.</i></li> <li>Consent to credit check.</li> <li>If approved, complete the electronic Master Promissory Note (e-MPN) if you are a first-time borrower.</li> <li>If credit is not approved, you may obtain an endorser and have them complete the Endorser Addendum.</li> <li>If you encounter technical problems, call the Direct Loan Origination Center at 1-800-557-7394.</li> </ol>	<p>These loans are used by Mount students to supplement family resources available for educational expenses. Although they are student loans, a credit worthy cosigner or co-borrower is usually necessary for dependent students. We strongly encourage the student to research and understand their financial obligation before borrowing any loans. To learn more about these loans, compare lenders and to apply on-line, go to <a href="http://www.msmary.edu/studentloans">www.msmary.edu/studentloans</a>. If you do not have access to the internet, please contact the Financial Aid Office. Students and parents are encouraged to take the time to compare the loans in order to choose a product which will meet their needs. While most alternative loans require no payments until after graduation, some will require borrowers to begin interest payments immediately. Interest rates, loan fees, and repayment provisions do vary from lender to lender. Also, some lenders offer interest rate reductions for on-time payments and having automatic payments made from your bank account.</p> <p><b>Maximum Loan Amount</b></p> <p>Alternate Loans may cover the full cost of attendance minus other financial aid. The cost of attendance includes tuition, room and board, as well as standard allowances for books and supplies, transportation, and personal expenses. Determine how much you wish to borrow for a full academic year. The total loan amount will be split evenly for the fall and spring semesters.</p> <p><b>HOW TO APPLY</b></p> <p>You must complete these necessary steps to apply for your alternative loan. Students who are not able or willing to apply on-line should contact the Mount's Financial Aid Office.</p> <ol style="list-style-type: none"> <li>Go to <a href="http://www.msmary.edu/studentloans">www.msmary.edu/studentloans</a> and select Alternative Loans.</li> <li>Follow the instructions provided.</li> </ol>