Student Loan Information

The Federal Direct Loan Program provides students and parents with affordable, low-interest loan options to finance a student’s education. Included in this handout are more details on the loan options available.

Federal Direct Stafford Loan
The Federal Direct Loan Program provides low interest, long-term loans to all students, regardless of need. To qualify students must complete the FAFSA. No payments are required while the student is in school and repayment begins six months after graduation, withdrawal or dropping below half-time status.

Federal Direct Stafford loans obtained through the Direct Loan program are either subsidized or unsubsidized based on need. For subsidized loans, interest is paid by the federal government while the student is enrolled in school. The borrower is responsible for interest charges on the unsubsidized loan from the date the loan is fully disbursed.

The interest rate on the subsidized and unsubsidized Direct Loans for the 2013-2014 year is 3.86%. The rates are fixed for the life of the loan. Loan amounts and eligibility increase from $5,500 as a freshman to $6,500 as a sophomore and $7,500 as a juniors or seniors.

<table>
<thead>
<tr>
<th>Dependent Students</th>
<th>Maximum Loan</th>
<th>Maximum Subsidized loan amount</th>
<th>Additional available Unsubsidized loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman</td>
<td>$5,500</td>
<td>$3,500</td>
<td>$2,000</td>
</tr>
<tr>
<td>Sophomore</td>
<td>$6,500</td>
<td>$4,500</td>
<td>$2,000</td>
</tr>
<tr>
<td>Junior or Senior</td>
<td>$7,500</td>
<td>$5,500</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Federal Direct Parent PLUS Loan
The Parent PLUS loan enables parents to borrow the cost of education minus other financial aid in the form of a low interest loan. Interest on the PLUS loan is a fixed rate of 6.41%. Flexible repayment options allow for payments to be deferred while the student is in school, or to begin within 60 days after the final disbursement. Parents have up to 10 years to repay the PLUS loan.

<table>
<thead>
<tr>
<th>Total Amount Borrowed</th>
<th>Stafford Loan (Assuming 6.8% Interest)</th>
<th>PLUS Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000</td>
<td>$115</td>
<td>$121</td>
</tr>
<tr>
<td>$15,000</td>
<td>$173</td>
<td>$181</td>
</tr>
<tr>
<td>$20,000</td>
<td>$230</td>
<td>$242</td>
</tr>
<tr>
<td>$25,000</td>
<td>$288</td>
<td>$302</td>
</tr>
<tr>
<td>$30,000</td>
<td>$345</td>
<td>$363</td>
</tr>
</tbody>
</table>

Federal Perkins Loan
The Federal Perkins Loan program provides deferred, low interest, long-term loans to students who demonstrate they qualify based on the results of the FAFSA. The interest is paid by the federal government while the student is enrolled as at least a half-time student and during the grace period.

The Perkins loan comes with a fixed interest rate of the 5% for the life of the loan. Repayment begins nine months after graduation from college, withdrawal or dropping below half-time status. Because the Perkins loan fund is limited, not all students will be eligible for this loan. Once the student graduates, payments are generally a minimum of $40 per month.

SEE REVERSE SIDE FOR LOAN INSTRUCTIONS
Loan Instructions

The following instructions outline the steps the borrower must complete before Hastings College may process a federal student loan.

**Direct Loans (Subsidized or Unsubsidized)**

1. Go to [www.studentloans.gov](http://www.studentloans.gov)
2. Sign in using student name, social security number, date of birth, and 4-digit PIN* used to electronically sign the FAFSA.
3. Complete the Entrance Counseling
4. Complete the Master Promissory Note

**Perkins Loan**

1. Go to [www.mappingyourfuture.org/oslc](http://www.mappingyourfuture.org/oslc)
2. Complete Perkins Entrance Counseling
3. Complete and return the paper Master Promissory Note from Hastings College that is enclosed with this packet.

**Direct Parent Plus Loan**

1. Go to [www.studentloans.gov](http://www.studentloans.gov)
2. When signing in, the parent borrowing the money will need to use their social security number, their name and birth date. The PIN* is the same one used to electronically sign the FAFSA.
3. Once you have signed in, select the link “Request a Direct Plus Loan” (in the middle of the page).
4. On the next page, choose loan type “Parent Plus”.
5. Complete the Application
6. Complete the Master Promissory Note

If you request a loan for the entire school year, the loan period will be 08/26/13 – 05/15/14.

If a loan is requested for the fall only, the loan period will be 08/26/13 - 12/13/13.

*PIN (Personal Identification Number)*

Go to [www.pin.ed.gov](http://www.pin.ed.gov) to create a new PIN or request a duplicate PIN.

If you have any questions, please feel free to contact Angie Pinkerman.

Email: apinkerman@hastings.edu Phone Number: 402-461-7435 Fax Number: 402-461-7714