



# Assumption University

## FEDERAL DIRECT LOAN GUIDE

As part of your financial aid offer, you were awarded Federal Direct Loan(s). These loans do not require you to have a co-signer but do require at least half-time attendance while enrolled in college. Federal Direct Loans can be subsidized or unsubsidized, your eligibility of which is determined by information provided on the FAFSA.

Federal Direct Subsidized Loans are interest free while the student is enrolled at least half-time. Federal Direct Unsubsidized Loans will begin accruing interest from the time of disbursement. The student may opt to pay this interest while enrolled.

For more information on Federal Direct Loans, current interest rates and origination fees, please visit <https://studentaid.gov/understand-aid/types/loans/subsidized-unsubsidized>. The loan origination fees are deducted proportionately each time a loan disbursement is made to the student's account.

### How To Reduce or Decline Your Direct Loan Funding

If you wish to decline or reduce your Federal Direct Student loan(s), complete the Federal Loan Reduction or Cancellation Request Form available on the Forms and Documents section of our website: [www.assumption.edu/FAforms](http://www.assumption.edu/FAforms).

### How To Secure Your Direct Loan Funding

Please note, Federal Direct Loans will appear on your billing statement **ONLY** if you have completed the Entrance Counseling and signed the Master Promissory Note.

1. Go to <https://studentaid.gov> and click on the Log In button.
2. Sign in using your (student's) FSA ID username or e-mail address and FSA ID password.
3. From the front page, select "Complete Aid Process". Select "Complete Entrance Counseling," and follow the instructions for the online tutorial. This should take approximately 30 minutes to complete.
4. Return to the front page and select "Complete a Master Promissory Note". Choose "MPN for Subsidized/Unsubsidized Loans." Follow the instructions and submit after completed. You will need to provide complete and separate addresses and contact information for two references.
5. You may log out after steps 3 and 4 are complete and submitted. You will receive confirmation emails informing you these steps were completed successfully.

### Undergraduate Federal Maximum Annual Loan Limits\*

	Dependent Student**	Independent Student
Freshman	\$5,500 – no more than \$3,500 of this in Subsidized Loans	\$9,500 – no more than \$3,500 of this in Subsidized Loans
Sophomore	\$6,500 – no more than \$4,500 of this in Subsidized Loans	\$10,500 – no more than \$4,500 of this in Subsidized Loans
Junior and Senior (per year)	\$7,500 – no more than \$5,500 of this in Subsidized Loans	\$12,500 – no more than \$5,500 of this in Subsidized Loans
Maximum Debt (Aggregate Limits)	\$31,000 – no more than \$23,000 of this in Subsidized Loans	\$57,500 – no more than \$23,000 of this in Subsidized Loans

\*This chart shows the maximum amounts that students are eligible to receive. Your awarded amount may be less depending on your FAFSA information, the number of completed credits, and cost of attendance.

\*\*If a Direct Parent PLUS loan borrower's application is denied, the undergraduate dependent student may be eligible for additional Unsubsidized Loan amounts based on the above Independent Student level.