

FEDERAL DIRECT LOAN

APPLICATION PROCESS

1. File your 2012-2013 Free Application for Federal Student Aid (FAFSA). Apply online at www.fafsa.ed.gov.
2. Complete the Master Promissory Note (MPN) and Entrance Counseling requirements online at www.studentloans.gov.
3. Submit the Federal Direct Loan Request Form to the Financial Aid Office.

ELIGIBILITY

- Student must not be in default on any federal education loan or owe an overpayment of a federal education grant.
- Student must be enrolled at least half-time (6 credit hours) in a degree-seeking program.
- Student must be maintaining Satisfactory Academic Progress (SAP). Please refer to the SAP Policy at www.aug.edu/financial_aid.

ANNUAL LOAN LIMITS

Maximum amount that can be borrowed per academic year
(fall/spring/summer)

Dependent Undergraduate Students

Freshman: \$3,500 subsidized + \$2,000 unsubsidized
Sophomore: \$4,500 subsidized + \$2,000 unsubsidized
Junior/Senior: \$5,500 subsidized + \$2,000 unsubsidized

Independent Undergraduate Students and Dependent Undergraduate Students Whose Parents Cannot Borrow a PLUS Loan

Freshman: \$3,500 subsidized + \$6,000 unsubsidized
Sophomore: \$4,500 subsidized + \$6,000 unsubsidized
Junior/Senior: \$5,500 subsidized + \$7,000 unsubsidized

Graduate and Professional Students

\$20,500 - eligible for unsubsidized only

AGGREGATE LOAN LIMITS

Maximum amount that can be borrowed
during student's lifetime

Dependent Undergraduate Students

\$31,000 (no more than \$23,000 can be subsidized)

Independent Undergraduate Students

\$57,500 (no more than \$23,000 can be subsidized)

Graduate and Professional Students **

\$138,500 (no more than \$65,000 can be subsidized)

** this limit includes loans received for undergraduate study **

Taking out a student loan is a serious responsibility—borrow conservatively! To view your loan history, visit www.nslds.ed.gov.

IMPORTANT TERMS

- **Subsidized Direct Loan:** A loan that the federal government pays interest on during in-school status, grace periods and authorized deferment periods. To qualify for a subsidized Direct Loan, you must demonstrate financial need.
- **Unsubsidized Direct Loan:** A loan that you are responsible for paying the interest on during in-school status, grace periods and authorized deferment periods. You have the option of postponing interest payments while in school. However, the interest continues to accrue and any unpaid interest will be capitalized (added to the principal balance) as you enter repayment.
- **Fees:** A 1.0% loan origination fee is deducted from each disbursement.
- **Interest Rates:** For subsidized loans first disbursed between July 1, 2012 and June 30, 2013, the interest rate is fixed at 3.4%. For unsubsidized loans first disbursed between July 1, 2012 and June 30, 2013, the interest rate is fixed at 6.8%.
- **Return of Title IV Aid:** If a recipient of Title IV aid withdraws during a payment period (or a period of enrollment), the school must calculate the amount of aid the student **earned** up through the date of last attendance. Unearned aid (including loans) must be returned to the Title IV programs. Title IV aid includes Pell Grant, SEOG, Federal Direct and Federal PLUS loan programs. When a student withdraws before completing 60% of the semester, a calculation of return of funds will be performed. When it is necessary to return loan funds, ASU is required to return the money that was disbursed to the student and the student will be required to reimburse ASU for the repayment amount.
- **Default:** Default is failure to pay your loan back according to the terms disclosed on your promissory note. You are in default of your Direct Loan if your payments are more than 270 days past due or if you fail to comply with all other terms of the loan. When this happens, any or all of the following may occur: the default will be reported to national credit bureaus, recorded on your permanent credit record, and can significantly and adversely affect your credit history; you may be subjected to legal action by the holder of the loan; your wages may be garnished; you will be unable to get additional federal or state financial aid — including student loans.

DEADLINE DATES: The last date to submit a Direct Loan Request Form for each semester is:

Fall: November 26, 2012

Spring: April 17, 2013

Summer: July 12, 2013



Federal Direct Loan Request Form

Financial Aid Office
2500 Walton Way, Augusta, GA 30904
Phone: 706-737-1431 Fax: 706-737-1777

Last Name: _____ First Name: _____ MI: _____

Student ID: _____ Email Address: _____

Street Address: _____ City: _____
(No P.O. Boxes)

State: _____ Zip: _____ Phone #: _____ Driver's License #/State: _____/_____

Expected Graduation Date: ____/____/____ Program of Study: _____

IF YOU ARE WORKING ON PREPARATORY COURSEWORK OR WILL ENROLL AS A POST BACC STUDENT, READ AND CHECK THE NEXT ITEM.

_____ I am working on preparatory coursework and will enroll as a Post Bacc student. I understand that I must complete and sign along with my advisor, the POST BACCALAUREATE CERTIFICATION FORM on an annual basis. The completed and signed agreement is attached to this Loan Request Form.

Select the loan period you wish to apply for (please check only one):

- Fall / Spring: August 2012 through May 2013
- Spring / Summer: January 2013 through July 2013
- Summer Only: May 2013 through July 2013
- Fall Only: August 2012 through December 2012
- Spring Only: January 2013 through May 2013

Indicate the loan amount requested for the 2012-2013 academic year:

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Initial to indicate that you have read these statements:

_____ I understand that I will be considered for a **SUBSIDIZED loan first**. If I am not eligible for a subsidized loan, I authorize the Financial Aid Office to process an **unsubsidized loan**: Yes No

_____ I understand that I must be enrolled for at least half-time (6 hours) at the time of the loan disbursement in order to be eligible for Federal Direct Loan funds.

_____ I understand that I must have valid Master Promissory Note and Entrance Counseling records on file in order to be eligible for Federal Direct Loan funds.

_____ I understand that all loans are disbursed in two equal payments. If I am attending Fall 2012 only, due to graduation, my loan must be prorated based on the number of hours for which I am enrolled.

_____ I understand that if I borrow the maximum loan amount for fall and spring, I **may not** be eligible for a loan during the summer.

BORROWER AUTHORIZATION:

My signature certifies that I have read and understand the information contained in this form. I have completed all requirements and I authorize Augusta State University to process my Federal Direct Loan request. I understand that my Federal Direct Loan constitutes a debt that will enter repayment upon the expiration of my grace period, which is six months after I graduate, completely withdraw or otherwise drop below half-time enrollment.

By signing, I authorize Augusta State University to receive the proceeds of my Federal Direct Loan via the Electronic Funds Transfer (EFT) process, and based upon my continued eligibility, to apply these funds toward institutional charges for the specified term(s).

I understand that I may rescind this authorization at any time by providing written notification to the Financial Aid Office within 10 working days prior to the expected disbursement date as provided in the "Notice of Guarantee and Disclosure Statement" provided by my lender/guarantor.

Borrower's Signature _____ **Date** _____

School use only: COA _____ - EFC _____ - Aid _____ = Sub _____ / Unsub _____

Grade _____ Aid Year _____ I / D _____ Hours _____ Date Processed _____