

LOANS

Long and short –term education loans are available for students to assist in meeting educational costs.

Direct Loans are long-term student loans that have low interest rates for students and parents to assist in paying college costs. Students must be enrolled in minimum of six semester hours in order to be eligible for loans. According to the Department of Education, students enrolled in an all-web program, are not eligible for transportation budgeting within their award. Students borrowing a Direct Loan are required to complete Entrance Counseling and the Master Promissory Note online at www.studentloans.gov prior to receiving loan funds. According to Federal guidelines, these loans must be disbursed in two equal payments, one at the beginning of the loan period and one in the middle of the loan period.

- **Direct Subsidized Loans** are need-based, federally subsidized loans with a fixed interest rate set by the government. Repayment is deferred until students graduate, withdraw, or enroll less than half-time. Subsidized loans have a 6.53% fixed interest rate. Interest is paid by the federal government until six months after students graduate, withdraw, or cease to be enrolled at least half-time. An origination fee of up to 1.057% is charged at disbursement. There is an annual maximum a student may borrow.
- **Direct Unsubsidized Loans** are not based on need. "Unsubsidized" means the interest is not deferred while in school and is not paid by the federal government. Repayment may be deferred until after students graduate, withdraw, or enroll less than half-time. Undergraduate unsubsidized loans have a 4.99% fixed interest rate. Graduate/Professional unsubsidized loans have a 8.08% fixed interest rate. An origination fee of up to 1.057% is charged at disbursement. There is an annual maximum a student may borrow.
- **Federal Direct PLUS Loans** allow parents of dependent undergraduates, as well as graduate/professional students, to borrow up the cost of education minus other financial aid. There are not aggregate loan limits. The program has a fixed interest rate of 9.08%. An origination fee of up to 4.228% is charged at disbursement. Unless deferred, repayment begins 60 days after the loan is fully disbursed.
- **Emergency Tuition and Fees Loans** are institutional loans that assist students meet the semester payment deadline. Applications are available online approximately one-week prior to the beginning of each semester.

What is the difference between Subsidized and Unsubsidized loans? Subsidized loans are loans in which the federal government pays the interest until the student graduates or until the student becomes enrolled less than half time. On an Unsubsidized loan, interest accrues while the student is in college and during repayment.

How do I accept my loans?

- Log in to Web for Students (https://eagles.tamut.edu/texp/twbkwbis.P_GenMenu/?name=homepage)
- Select "Financial Aid;" "Financial Aid Status;" then the appropriate award year
- Select the highlighted word "awarded"
- Select "Accept Award Offer" tab
- Review your award and either accept the entire award or plug in partial award amount and submit your decision.

How do I decrease or increase the amount of loan funds I accepted? Students can request to change the amount of loans (decrease or increase) they have accepted. Requests for loan changes must be in writing either by a signed note or electronically through the student's secure Ace mail account.

Note Students cannot not request more than the full amount of loans offered. Students are offered the maximum amount for which they are eligible.

Entrance and Exit loan counseling

Entrance Counseling

Log in to Web for Students. (https://banssbtextp.tamut.edu/texp/twbkwbis.P_WWWLogin/) Select the following options: Financial Aid; Financial Aid Status; Select appropriate aid year; click the word "awarded" under your summary of financial aid; choose the "Accept Award Offer" tab; click the link provided for Entrance Counseling.

Online counseling may require the use of specific browsers and/or browser settings. If you encounter difficulties completing a counseling session, please notify the FAO.

Exit Counseling

Students that are graduating or whose enrollment status drops below half time will be required to complete Exit Counseling if they received any student loans.

150% Direct Subsidized Loan Limit

If you are a first-time borrower on or after July 1, 2013, there is a limit on the maximum period of time (measured in academic years) that you can receive Direct Subsidized Loans. This time limit does not apply to Direct Unsubsidized Loans or Direct PLUS Loans. If this limit applies to you, you may not receive Direct Subsidized Loans for more than 150 percent of the published length of your program. This is called your "maximum eligibility period." Your maximum eligibility period is generally based on the published length of your current program. The published length of any program of study is found in the university catalog.

For example, if you are enrolled in a four-year bachelor's degree program, the maximum period for which you can receive Direct Subsidized Loans is six years (150 percent of 4 years = 6 years). Because your maximum eligibility period is based on the length of your current program of study, your maximum eligibility period can change if you change to a program that has a different length. Also, if you receive Direct Subsidized Loans for one program and then change to another program, the Direct Subsidized Loans you received for the earlier program will generally count toward your new maximum eligibility period.

Certain types of enrollment may cause you to become responsible for the interest that accrues on your Direct Subsidized Loans when the U.S. Department of Education usually would have paid it. Please visit www.studentaid.ed.gov (<https://studentaid.gov/>) for more information.