

# IMPORTANT Information to Read BEFORE Applying for a Student Loan



## The Direct Loan Process

If you wish to apply for the Direct Loan, a Master Promissory Note and entrance counseling must be completed online after your FAFSA (Free Application for Federal Student Aid) has been processed. Your FAFSA FSA ID & password will be needed to "sign" your Promissory Note. Your grade level, prior loan history, and financial need determine if, and how much you are eligible to borrow. However, see the loan limits listed below. You will be notified when your loan has been processed and approved.

If you are eligible for a subsidized Direct Loan, the federal government pays the interest for you while you are attending school on at least a half-time basis (6 credit hours). With an unsubsidized Direct Loan, you must pay the interest while you are in school. You have the option of making interest payments while you are in school, or you can defer those interest payments until after you are no longer enrolled in at least 6 credit hours of classes. Keep in mind that if you defer your interest payments, the lender will capitalize your interest, and your debt will increase. **In order to receive the loan, you must be registered for at least 6 credit hours.**

### Tips:

1. **Borrow conservatively;** borrow only the amount you need.
2. Complete the FAFSA (Free Application for Federal Student Aid) and apply for all financial aid early to make sure you get your loan when you need it.
3. Read and complete all forms carefully. Do not forget to keep copies of all documents.
4. Stay in touch with the U.S. Department of Education and notify them of any changes in name, address, enrollment status, etc.

### Loan Limits:

Annual limits for loans:

Year 1	Per Term	\$1750	Annual Max	\$3,500	(0-30 semester hrs.)
Year 2	Per Term	\$2250	Annual Max	\$4,500	(31-60 semester hrs.)
Year 3	Per Term	\$2250	Annual Max	\$4,500	(61 hrs. and above)

Additional unsubsidized amounts (**up to \$6,000 per year**) available for those who qualify

For your associate degree at MTC, you may borrow no more than a total subsidized amount of \$12,500. Dependent students with a greater financial need may have a parent borrow additional funds under the Parents Loan for Undergraduate Students (PLUS). **Loan eligibility may be affected by borrowing at prior institutions. It is your responsibility to notify the Financial Aid Office if you have borrowed student loans at another institution.**

### Disbursement:

Your loan will be electronically sent to MTC. Grants, scholarships and loans are applied toward your tuition. If you owe tuition after aid is applied, you must pay this by the fee payment deadline. If you have excess aid after your tuition is paid, a credit is established at the College bookstore for you to purchase your required books and supplies. Please make sure your class schedule is set and all books/supplies have been purchased at the Bookstore by the 1<sup>st</sup> week of the term. Any excess money will be mailed to you (see the College Calendar for specific dates) **as long as you are attending classes.**

**YOU MUST PRINT, COMPLETE and RETURN to the Financial Aid Office this Loan Request Form before your loan application will be processed.**

TOTAL Loan Amount Requested: \$ \_\_\_\_\_

Loan Period: (Check all that apply) Fall 24 \_\_\_\_\_ Spring 25 \_\_\_\_\_ Summer 25 \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

If you have any questions regarding this application or financial aid in general, please do not hesitate to contact the Financial Aid Office; 740-389-4636 or financial-aid@mtc.edu.