

## **Information and Application Instructions for Direct Loans MAT Students**

The Federal Direct Loan program enables students to borrow for educational expenses. There are two types of Direct Loans available for Graduate Students: Direct Unsubsidized Stafford Loan and Direct Graduate PLUS Loan. Unsubsidized Loans and Graduate PLUS Loans accrue interest during all periods. Eligibility for the loans is determined by the analysis of the FAFSA and is outlined on your award notification. All terms and conditions of these loans will be provided when you complete all the required paperwork.

### **Federal Direct Unsubsidized Stafford Loan**

Basic terms of the loans are:

**Interest rate:** Graduate Student (for loans disbursed 7/1/15 - 6/30/16): 5.84%.

**Fees:** An origination fee of 1.068% is charged on the loan.

**Grace Period:** You do not need to start making payments until 6 months after you graduate, leave school, or drop below half-time enrollment. Interest is charged on the loan during the Grace Period.

### **Follow these instructions to apply for an Unsubsidized Direct Loan:**

1. Accept the amount you wish to borrow on the Award Letter on the portal <https://seahawks.smcm.edu>.
2. **New Borrowers:** If you have not previously taken out a Direct Loan you must complete Entrance Counseling and a Master Promissory Note (MPN) at <https://studentloans.gov>.
  - a. Sign in to **Manage My Direct** Loan using your personal information and your FSA ID.
  - b. Complete **Entrance Counseling**. Make sure you receive a confirmation email.
  - c. Complete **Master Promissory Note (MPN)** for Unsubsidized Stafford Loan. Make sure you submit the form and receive a confirmation message.

## **Federal Direct Graduate PLUS Loan**

Graduate students may borrow funds on an unsubsidized basis through the Federal Graduate PLUS Program. The information in your award package indicates the maximum PLUS loan you could borrow for the academic year. We encourage students to carefully consider how much they need to borrow and only accept the amount of Graduate PLUS Loan which is absolutely necessary. Interest is charged on Graduate PLUS Loans starting from the day of disbursement. A credit check is required as part of the application process. All terms and conditions are outlined during the application process but important points are:

**Interest rate:** 6.84%

**Fees:** An origination fee of 4.272% is charged on the loan.

### **Follow these instructions to apply for a Direct Graduate PLUS Loan**

1. Accept the Graduate PLUS Loan on the Award Letter on the portal. You may indicate the amount you want to borrow: <https://seahawks.smcm.edu>.
2. Complete a Federal Direct PLUS Loan (Graduate) Request Form. The form is available on the financial aid section of the Portal. Return this form to the Financial Aid Office . The completed form may be faxed to 240-895-4959 or emailed to [finaid@smcm.edu](mailto:finaid@smcm.edu).
3. Go to <https://studentloans.gov>. Borrowers must complete two steps—the Request and the MPN.
  - a. Sign in using your FSA ID.
  - b. Select: **Complete PLUS Request Process. Be sure to select Graduate PLUS.**
  - c. Complete all four steps and submit.
  - d. A message will appear informing you if your credit was approved or declined. If declined, contact the Financial Aid Office to discuss the alternatives available to you.
  - e. Go to **Sign Master Promissory Note. Be sure to select Graduate PLUS.**
  - f. Complete all steps, submit, and make sure you receive a confirmation message that your MPN has been submitted.
4. Complete **GRADPLUS Entrance Counseling**. Make sure you receive a confirmation email.

Questions?

Contact the Office of Financial Aid  
Telephone: 240-895-3000 Email: [finaid@smcm.edu](mailto:finaid@smcm.edu)