

USA Direct Loan Instructions

For queries on the US Direct Loans System please contact: Emily.cowley@uwe.ac.uk or Kelly.cotter@uwe.ac.uk

How much can I borrow?

- You can borrow up to the Cost of Attendance which will be set by the school. You will be able to adjust the Cost of Attendance to reflect specific needs individual to your circumstances and this should be in keeping within reasonable parameters. Two types of loan are available, direct loans and private loans. You are encouraged to apply for a Direct Loan before considering a Private Loan.

Undergraduate Annual Loan amounts

Dependant undergraduates	Initial subsidised Direct Loan	Additional unsubsidised Direct Loan	Combined (maximum) Loan amount	Maximum aggregate amount
Year 1	\$3500	\$2000	\$5500	\$5500
Year 2	\$4500	\$2000	\$6500	\$5500
Year 3 and up	\$5500	\$2000	\$7500	\$5500
Independent undergraduates or Dependant undergraduates whose parent is denied Parent PLUS				
Year 1	\$3500	\$6000	\$9500	\$23,000 subsidised up to \$57,500 total
Year 2	\$4500	\$6000	\$10,500	
Year 3	\$5500	\$7000	\$12,500	

Postgraduate Annual Loan amounts

Subsidised	UnSubsidised	Total aggregate
\$8500	\$12,000	\$65,500 subsidised and up to \$138,500 in total

- What is the interest rate and disbursement fee?**

Subsidised	Fixed max value, No interest charged while in school	Origination Fee 0.5% deducted at Disbursement
Unsubsidised	Fixed max value, Interest charged while in school	Origination Fee 0.5% deducted at Disbursement
PLUS Loan	Max value set by School (Cost of Attendance), Interest charged while in school.	Origination Fee 4% deducted at Disbursement

- **What is the application process for Direct Loans?**

- Most of the work is done on-line by you. UWE will not know you are making a genuine application, nor know how much you wish to borrow until we are sent the information we need
- Complete the Free Application for Federal Student Aid (FAFSA). Most students use FAFSA on the Web to complete their application
The UWE school code for the FAFSA is: **02184900**
UWE will need this FAFSA to be completed and submitted by 2 May 2012 in order to allow us to process the loan
- Send the following details to **Kelly.cotter@uwe.ac.uk** and **Emily.cowley@uwe.ac.uk** so that your award letter can be processed:
 - Your completed cost of attendance spreadsheet. The template to calculate your CoA can be found under the 'funding and scholarships' tab on weblink:
<http://www1.uwe.ac.uk/comingtouw/internationalstudents/countryspecificpages/usa.aspx>
 - Pdf copy of MPN for Stafford loans
 - Entrance counselling completion
 - If you are applying for PLUS loans please also attach
 - Pdf copy of MPN for PLUS loan
 - Your e-mail of acceptance credit check

You will be able to gather this information from **www.studentloans.gov** by taking a screen shot of your completed forms or by scanning and e-mailing the completed certificates

- You will receive an Award Letter via your online UWE welcome portal at the end of May with details of the maximum amount of government loan you are entitled to. You will be required to respond to this letter within 2 weeks confirming the exact amount you would like to receive.
- In order for UWE to process the loan you are also required to complete Entrance Counselling and Master Promissory Note (MPN). This will need to be completed when you receive the award letter and two weeks after you have confirmed the amount you would like to borrow. Both forms can be found on **<https://studentloans.gov>**
- The MPN will need to be completed each year that you are applying for a loan at UWE.
- Once UWE has received this information, UWE will originate your loan in two weeks. UWE will then send you a visa letter which can be used as evidence of the amount of Direct Loan available to you when applying for your visa. (This will not replace your CAS statement which is still required for your visa application).

- **When will the loan be disbursed?**

- Undergraduate and Postgraduate student loans will be disbursed twice over the year of study, once in October and once in January

- **Private Loans**

- The only private loan currently available to students at foreign schools is the Smart Loan from **Sallie Mae**.
- To apply for a Smart Loan, you must apply on-line. Please click on the following link for details Sallie Mae
- Please note that we are unable to process the loan until you have completed the Master Promissory Note

- **Useful links**

- UWE FAFSA school code: 02194800
 - AFSA **<http://www.fafsa.ed.gov/>**
 - Entrance Counselling **<https://studentloans.gov>**
 - Master Promissory Note **<https://studentloans.gov>**
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