

# Federal Stafford Loans for Undergraduate Students

Dear Student:

The Stafford loan program is a valuable resource for assisting students and parents with paying for college. These are low interest rate loans with attractive repayment options and low origination and guarantee fees. Stafford loans are borrowed under the student's name. There are two types of Stafford loans: subsidized and unsubsidized. Below you will find detailed information on Stafford loans and the eligibility requirements necessary to borrow from this program.

	Subsidized Stafford Loan	Unsubsidized Stafford Loan
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>• Be enrolled at least half-time in a degree-seeking program.</li> <li>• Must file a FAFSA.</li> <li>• Have financial need as determined by the results of the FAFSA.</li> <li>• Be a U.S. citizen or eligible resident non-citizen.</li> <li>• Borrowing limits based on grade level in school.</li> </ul>	<ul style="list-style-type: none"> <li>• Be enrolled at least half-time in a degree-seeking program.</li> <li>• Must file a FAFSA.</li> <li>• Financial need not necessary.</li> <li>• Be a U.S. citizen or eligible resident non-citizen.</li> <li>• Borrowing limits based on grade level in school and dependency status.</li> </ul>
<b>Dependent Student Annual Loan Limit</b>	Year 1-\$3,500 Year 2-\$4,500 Year 3-\$5,500 Year 4-\$5,500	Year 1-\$2,000 Year 2-\$2,000 Year 3-\$2,000 Year 4-\$2,000
<b>Independent Student Annual Loan Limit</b>	Year 1-\$3,500 Year 2-\$4,500 Year 3-\$5,500 Year 4-\$5,500	Year 1-\$6,000 Year 2-\$6,000 Year 3-\$7,000 Year 4-\$7,000
<b>Cumulative Loan Limit</b>	\$23,000	Dependent students: \$31,000* Independent students: \$57,500* *Combination of Sub and Unsub loans should not exceed these amounts.
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>• An annual fixed rate that cannot exceed 8.25%.</li> <li>• No interest accrues until repayment begins.</li> </ul>	<ul style="list-style-type: none"> <li>• An annual fixed rate that cannot exceed 8.25%.</li> <li>• <u>Interest begins accruing on the loan immediately upon disbursement.</u></li> <li>• Interest can be paid while in school or deferred until repayment.</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>• Origination fee up to 1.0%.</li> <li>• Federal default fee up to 1.0%.</li> </ul>	<ul style="list-style-type: none"> <li>• Origination fee up to 1.0%.</li> <li>• Federal default fee up to 1.0%.</li> </ul>
<b>Repayment</b>	<ul style="list-style-type: none"> <li>• Repayment begins six months after graduation or if enrollment drops below half-time.</li> <li>• Deferment and Forbearance available.</li> </ul>	<ul style="list-style-type: none"> <li>• Repayment begins six months after graduation or if enrollment drops below half-time.</li> <li>• Deferment and Forbearance available.</li> </ul>

**Rights and Responsibilities:** The promissory note that you are required to sign when you borrow a student loan lists your rights and responsibilities. Keep this information and know the terms and conditions of the loans you have borrowed.