

# DIRECT STAFFORD LOAN

## UNSUBSIDIZED

- Borrowed money that must be repaid with interest.
- You will be charged interest while you're in school from the time the loan is disbursed until it is paid in full. If you allow the interest to accumulate, it will be "capitalized." This means the interest will be added to the principal amount of your loan (the amount you borrowed). In other words, you will be paying interest on interest. That is why it's wise to pay the interest as it accumulates while you're in school if you can. It's usually not that much per month. This interest may also be tax-deductible, saving you even more.
- The MAX amount of student loan funds depends on independent or dependent status, first-year or second-year status, enrollment status, SAP, whether a student is graduating, if the student has already received student loans at another institution for the current academic year, etc. Please see max loan amounts at: <http://www.indianhills.edu/payingforcollege/finaid.php>.
- Must meet citizenship requirements, not be in default on a student loan, and must not owe a refund to any Federal Title IV aid program.

## How do I get these funds?

1. E-sign your MPN (Master Promissory Note)\*. Instructions on how to do this are online at <http://www.indianhills.edu/payingforcollege/finaid.php>. Your MPN is valid for ten (10) years.
2. New Borrowers at IHCC: Must successfully complete "Entrance Counseling"\*\*\* once. If you need to do this, see the instructions online at <http://www.indianhills.edu/payingforcollege/finaid.php>
3. "Accept" your loans online via your WebAdvisor. Please see your Award Letter for instructions.

## Important

- You must remain enrolled at least half-time each term (4 credit hours).
- If you are terminated from Financial Aid eligibility due to Satisfactory Academic Progress (SAP)\*\*\* you will also lose your loan funds, along with any and all grant and work-study funds.
- Notify the Office of Financial Aid if you receive any additional scholarships or outside aid.

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\* An MPN is a legal obligation. Signing the MPN is your promise to repay the loan, according to the terms of the note.

\*\* You only need to complete this ONE TIME and only if you are a FIRST-TIME BORROWER at IHCC.

\*\*\* See the SAP policy online at: [http://www.indianhills.edu/payingforcollege/docs/sap\\_policy.pdf](http://www.indianhills.edu/payingforcollege/docs/sap_policy.pdf)