# Understanding Education Loans

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<th>Loan Program</th>
<th>Academic Year Maximum Loan Amount</th>
<th>Loan Program Information and Eligibility Criteria</th>
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| **Subsidized Stafford Student Loan** | | ✓ At least half-time, degree-seeking enrollment  
✓ FAFSA filing (annually)  
✓ Demonstrated need based on FAFSA results  
✓ Grade level progression and satisfactory academic progress |
| Undergraduate Student | Annual Maximum Stafford Loan: |  
Freshman: $3,500  
Sophomore: $4,500  
Junior/Senior/5th Year: $5,500  
**Cumulative maximum total undergraduate Stafford Loan borrowing is $23,000.**  
Graduate/Professional Student | Annual Maximum Stafford Loan: |  
Graduate/Professional: $8,500  
**Cumulative maximum total graduate or professional student Stafford Loan borrowing is $65,500, which includes any undergraduate Stafford loans.** |
| **Unsubsidized Stafford Student Loan** | | ✓ At least half-time, degree-seeking enrollment  
✓ FAFSA filing (annually)  
✓ Financial need is not required, as long as total aid does not exceed cost of attendance  
✓ Grade level progression and satisfactory academic progress |
| Dependent Undergraduate Student | Annual Maximum Stafford Loan: |  
Freshman: $3,500*  
Sophomore: $4,500*  
Junior/Senior/5th Year: $5,500*  
**Minus any borrowing of the Subsidized Stafford Loan.**  
**Cumulative maximum total undergraduate Stafford Loan borrowing is $23,000.**  
Independent Undergraduate Student | Annual Maximum Stafford Loan: |  
Freshman: $7,500**  
Sophomore: $8,500**  
Junior/Senior/5th Year: $10,500**  
**Minus any borrowing of the Subsidized Stafford Loan. Maximum total Stafford Loan borrowing subsidized and unsubsidized is $46,000.**  
Graduate/Professional Student | Annual Maximum Stafford Loan: |  
Graduate/Professional: $20,500***  
**Graduate/Professional student cumulative maximum total Stafford Loan borrowing is $138,500, which includes all Stafford Loan borrowing.** |

**Loan Terms:**
The U.S. Department of Education pays the interest while enrolled in a degree seeking program at least half-time, for the first six-months after you leave school and during a period of deferment (a postponement of loan payments).

A 1% origination fee and a 1% federal default fee are deducted from the principal proceeds of the processed Stafford Loan amount.

Repayment begins 6 months after graduation, withdrawal or enrollment of less than half-time, whichever occurs first.

Up to 10 years to repay loan; extended periods are available.

Fixed rate of 6.0% for undergraduate subsidized loans first disbursed on or after July 1, 2008.  
Fixed rate of 6.8% for graduate/professional subsidized loans first disbursed on or after July 1, 2008.

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**Federal regulations may change. Any variances which may cause changes to your awards will be communicated to you via SLU email.**
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| Parent Loan for Undergraduate Students (PLUS) | Up to the full cost of attendance minus other awarded scholarship/financial aid. | ✓ A parent (natural or adoptive, or the spouse of a student’s parent who has remarried or legal guardian) of a dependent undergraduate.  
✓ Full-time or half-time degree-seeking enrollment.  
✓ FAFSA filing not required, but recommended.  
✓ Must demonstrate good credit history.  

**Loan Terms:**  
Repayment begins within 60 days after loan is fully disbursed.  
Deferment and forbearance options available.  
A 3% origination fee and 1% federal default fee is deducted from the principal proceeds of the requested PLUS amount.  
Fixed rate at 8.5% for loans first disbursed on or after July 1, 2006. |
| PLUS loan for Graduate/Professional Student | Up to the full cost of attendance minus other awarded scholarship/financial aid. | ✓ Graduate or professional student is primary borrower.  
✓ Full-time or half-time degree-seeking enrollment.  
✓ Must demonstrate good credit history.  
✓ Deferment and forbearance options available.  

**Loan Terms:**  
Repayment begins within 60 days after loan is fully disbursed.  
A 3% origination fee and 1% federal default fee is deducted from the principal proceeds of the requested PLUS amount.  
Fixed rate at 8.5% for loans first disbursed on or after July 1, 2006. |
| Alternative Loans | Loan programs have aggregate limits that may include federal loans. | ✓ Available to undergraduate, graduate and professional students.  
✓ Credit criteria dependent upon program.  
✓ Often requires a co-signer.  

**Loan Terms:**  
Repayment terms set by loan program. Usually begin after graduation or less than half-time enrollment.  
Interest rates tied into Prime or LIBOR Index. |