Important Loan Information Regarding your Federal Student Loans

Federal student loans are issued by the U.S. Department of Education. This instruction sheet will educate you on the steps you need to complete to receive federal student loans.

Required steps for receiving federal student loans:

☐ Accept your award electronically on WebAdvisor indicating YES or NO for federal student loans
☐ Sign an electronic Master Promissory Note (eMPN) at studentloans.gov. (See instructions on back)
☐ Complete entrance counseling at studentloans.gov

YOU WILL NOT RECEIVE FEDERAL STUDENT LOANS UNTIL THE ABOVE THREE ITEMS ARE COMPLETE.

HELPFUL FACTS

Direct Subsidized Loan: The current interest rate for a Direct Subsidized Loan is determined each June for new loans being processed for the upcoming award year, which runs from July 1 to the following June 30. The fixed interest rate will be for the life of the loan. The government will deduct an origination (processing) fee from each Direct Subsidized Loan disbursement. Refer to studentloans.gov for the actual interest rate and origination fee for your Direct Subsidized Loan. The government pays the interest on this loan while you attend school at least half-time, during the first six months once you graduate or drop below half-time enrollment (referred to as a grace period), and during a deferment period. As of 7/1/13, a new provision was added to the Direct Loan requirements that limit a first-time borrower’s eligibility for Direct Subsidized Loans to a period not to exceed 150 percent of the length of the borrower’s educational program. Only first-time borrowers on or after 7/1/13 are subject to the new provision.

Direct Unsubsidized Loan: The current interest rate for a Direct Unsubsidized Loan for undergraduate and graduate/law students is determined each June for new loans being processed for the upcoming award year, which runs from July 1 to the following June 30. The fixed interest rate will be for the life of the loan. The government will deduct an origination (processing) fee from each Direct Unsubsidized Loan disbursement. Refer to studentloans.gov for the actual interest rate and origination fee for your Direct Unsubsidized Loan. The government does not pay your interest on this loan while you are in school at least half-time, during grace periods, and deferment or forbearance periods. Interest begins accruing at the time the loan disburses. You may defer the interest payment or you may pay the accrued interest quarterly. Select the option you prefer when you complete the Direct Unsubsidized Loan electronic Master Promissory Note (eMPN) with the U.S. Department of Education.

Direct Subsidized and Unsubsidized Loans are made in two equal disbursements for a two-semester loan. At least one-half of the loan period must elapse before the second disbursement can be released. Direct Loans credit your student account no earlier than the first day of class upon the completion of an eMPN and entrance counseling. A disbursement funds letter will be emailed to your TU email address when funds are credited. You have the right to cancel all or any portion of the loan within 14 days of the loan crediting your student account.

Repayment begins six months after you drop below half-time enrollment. Refer to studentloans.gov for repayment plans.

This document was prepared based on the best information available at the time it was printed (01/08/16). All information is subject to change without notice or obligation.
What to Expect as You Complete your eMPN at studentloans.gov

LOGIN – You will be prompted to enter your U.S. Department of Education (or FAFSA) FSA ID. If you do not have an FSA ID, you may create one at fsaid.ed.gov.

WELCOME TO STUDENTLOANS.GOV – If you wish to receive electronic confirmation, complete the request on this screen (box in upper right) and update.

SELECT COMPLETE A MASTER PROMISSORY NOTE

SELECT THE TYPE OF DIRECT LOAN YOU WOULD LIKE TO COMPLETE – All federal student loans require an eMPN. Select the type of loan you would like to complete: Subsidized/Unsubsidized, Graduate PLUS, or Parent PLUS. Note: A graduate student must complete two eMPNs, if accepting both a Direct Unsubsidized Loan and Graduate PLUS Loan.

SUBMIT MASTER PROMISSORY NOTE – Complete all four tabs.

   Step 1: Information  Enter borrower, student, and school information.
   Step 2: References    Provide personal information and two personal references; only one reference can live with borrower. A reference is someone you have known at least 3 years and who reside in the U.S.
   Step 3: Terms & Conditions  This section explains the Borrower’s Rights & Responsibilities Statement providing important information about the loan(s) you may receive under your eMPN.
   Step 4: Review & Sign  If you need to correct the information you provided or cancel the eMPN process, do so now. If the information is correct, enter the borrower’s name as it appears on the studentloans.gov Welcome Page. It must match your FSA ID.

SIGNATURE AUTHENTICATED – Once signature authenticated, click on “Review Master Promissory Note” link. After reviewing, close the document and submit.

SUCESSFULLY SUBMITTED MPN – You will receive an immediate response and an email confirming submission of your MPN. To confirm your MPN was submitted, go to the studentloans.gov Welcome Page and select “Completed MPNs.”

If you experience any problems in completing your eMPN, contact the Department of Education, Applicant Services Department, at 800-557-7394.

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