



Direct Loan Request Form for Students

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SECTION A: ABOUT THIS FORM

This form should be used by students who wish to borrow a Federal Direct Loan. The federal aid award letter included in the response packets sent to need-aid applicants specifies the amount the student is eligible to borrow.

SECTION B: ELIGIBILITY/BORROWING INFORMATION

Your financial aid award letter lists the maximum Direct Loan that you may borrow; you have the option of borrowing less than that if you wish. There are two types of Direct Loans: the subsidized, for a student who qualifies for need-based assistance; and the unsubsidized, for a student who does not qualify for need-based assistance, or whose federally calculated need has been met entirely by other sources of assistance. The terms of both loans are the same in all respects except for the interest subsidy. The federal government pays the interest that accrues on the subsidized Direct Loan during the student's enrollment; the student must pay the interest that accrues on the unsubsidized Direct Loan, or she has the option of adding the interest to the principal, a process known as "capitalization." Repayment of principal on both types of loans is not required to begin until six months after the student graduates or withdraws from school, and the student has four different types of repayment plans from which to choose. The aggregate annual borrowing limits for the Direct Loan are \$5,500 for first-year students, \$6,500 for sophomores, and \$7,500 for juniors and seniors.

SECTION D: REQUEST FOR A FEDERAL DIRECT LOAN [FOR THE STUDENT]

STUDENT'S NAME: _____ SSN: _____-_____-_____

1. I request the following loan type(s): a. Subsidized Direct Loan b. Unsubsidized Direct Loan

2. I request a total amount of: \$.00

Signature _____ Date _____/_____/_____
Month Day Year

RETURN TO THE SBC FINANCIAL AID OFFICE