Loan Steps & FAQ

What steps do I need to complete?

✓ Complete the FAFSA at www.studentaid.gov (note: school years begin in Fall and end in Summer)
✓ Register for 6+ credit hrs. that fit your SCC degree program
✓ Complete Loan Entrance Counseling at www.studentaid.gov
✓ Complete a Loan Master Promissory Note at www.studentaid.gov
✓ Complete a “Loan Request” eform

Note: Be careful to select the correct forms. School years begin in Fall and end in Summer. Example: 2020-21 eform is for Fall 2020, Spring 2021 and Summer 2021.

What are the deadlines I need to meet?

<table>
<thead>
<tr>
<th>Enroll in 6 hrs.</th>
<th>Avoid Pre-Payment</th>
<th>Final Submissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Must fit your degree!)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FALL</td>
<td>FA census</td>
<td>FALL</td>
</tr>
<tr>
<td>SPRING</td>
<td>FA census</td>
<td>SPRING</td>
</tr>
<tr>
<td>SUMMER</td>
<td>FA census</td>
<td>SUMMER</td>
</tr>
</tbody>
</table>

Note: Visit our FA webpage for census dates. MAIN term = end of 4th week; FA3, FA2, SP2, SP3, SU3, SU2 = 15th day

How much can I borrow?

Borrow only what you need. You do not have to borrow the maximum amounts. **You are encouraged to complete Loan Entrance Counseling first before deciding on a loan amount.**

<table>
<thead>
<tr>
<th>Dependency Status</th>
<th>Completed Credits</th>
<th>Annual Limit</th>
<th>Semester Limit</th>
<th>Annual Subsidized Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent</td>
<td>0-29</td>
<td>5,500</td>
<td>2,750</td>
<td>3,500</td>
</tr>
<tr>
<td>Dependent</td>
<td>30-96</td>
<td>6,500</td>
<td>3,250</td>
<td>4,500</td>
</tr>
<tr>
<td>Independent</td>
<td>0-29</td>
<td>9,500</td>
<td>4,750</td>
<td>3,500</td>
</tr>
<tr>
<td>Independent</td>
<td>30-96</td>
<td>10,500</td>
<td>5,250</td>
<td>4,500</td>
</tr>
</tbody>
</table>

Should I make an appointment?

First-time borrowers and transfer students should meet with the Loan Coordinator to discuss a repayment plan. Students on SAP Probation are required to meet with the Loan Coordinator prior to receiving the loan. To set an appointment, contact Abby Vernon at 636-922-8586 or abby.vernon@stchas.edu.
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Must I meet Satisfactory Academic Progress to borrow a loan?
Yes. Your FA SAP status must be in Good Standing. The following statuses DO NOT qualify for a loan:

| Suspension | Maximum Hours | Dismissal |

What is my Satisfactory Academic Progress status?
FA SAP status indicates how you are doing academically and provides measures that determine your eligibility for financial aid. You may find your FA SAP status displayed at the top of your FA Checklist. You can view the required SAP measures on our SAP webpage and in the Financial Aid Handbook.

What is the difference between Subsidized vs. Unsubsidized loans?
Subsidized loans do not accrue interest during school or periods of grace or deferment. Unsubsidized loans, on the other hand accrue interest during all periods. Both loan types accrue interest during repayment.

Can I choose which loan type I receive?
Your FAFSA results will determine if you have a “financial need” for a subsidized loan. You may reject the unsubsidized loan or adjust your loan amounts once you see your FA Offer Letter. Simply complete a “Loan Adjustment” eform to adjust your loan amounts.

The Financial Need formula: COA (Cost of attendance) – EFC (FAFSA determined) = Financial Need.

What is the current interest rate for federal loans?
Interest rates are based upon a market factor and can change annually. The interest rate for the period July 1, 2020– June 30, 2021 is 2.75%. Visit www.studentaid.gov for updated rates.

What is the loan origination fee?
This is a fee deducted from your loan amount and kept by the Department of Education to process your loan. The net amount of loan funds you will receive is the gross amount on your Award Letter minus this fee. When you repay your loan, you must repay the gross amount, which includes the origination fee. The current fee for loans borrowed on/after Oct. 1, 2020 is 1.057%. Fees typically change every October 1st. Visit www.studentaid.gov for current rates.

Example: You qualify for $3,500 subsidized loan. The net amount deposited to your student account is $3,463 ($3500 x 0.98943). You must repay the full $3,500.

What happens if I drop below half-time enrollment?
Loan repayment could begin 6-months after you drop. When you drop, you are required to complete Loan Exit Counseling at www.studentaid.gov. However, if you withdraw from all coursework, your grace period clock starts from the prior semester when you were last enrolled half-time.

Example: You withdraw from all 21/SP coursework. You were last enrolled half-time during the previous 20/FA semester, which ended in December. Your payment could begin as early as June.