

Federal Family Education Loan Program {FFELP} Federal Stafford Loan Overview Subsidized and Unsubsidized

	Subsidized	Unsubsidized
To Apply	<i>Free Application for Federal Student Aid (FAFSA) – available online</i>	<i>Free Application for Federal Student Aid (FAFSA) – available online</i>
Must sign	<i>Federal Stafford Loan Master Promissory Note (MPN) – can be an electronic signature</i>	<i>Federal Stafford Loan Master Promissory Note (MPN) – can be an electronic signature</i>
Financial Need	Based on financial need.	Not need-based (may replace EFC). Student must apply for a subsidized Federal Stafford loan first.
Interest Rate	<p>Subsidized undergraduate loans – 5.6% Unsubsidized undergraduate loans – 6.8% Subsidized and unsubsidized graduate loans – 6.8%</p> <p>Loans with first disbursements prior to 7/1/06 have a variable rate, with a cap of 8.25% adjusted each 7/1. The rates in effect from 7/1/09 through 6/30/10 are:</p> <ul style="list-style-type: none"> • 1.88% during in-school, grace and deferment periods • 2.48% during repayment and forbearance periods 	<p>Subsidized undergraduate loans – 5.6% Unsubsidized undergraduate loans – 6.8% Subsidized and unsubsidized graduate loans – 6.8%</p> <p>Loans with first disbursements prior to 7/1/06 have a variable rate, with a cap of 8.25% adjusted each 7/1. The rates in effect from 7/1/09 through 6/30/10 are:</p> <ul style="list-style-type: none"> • 1.88% during in-school, grace and deferment periods • 2.48% during repayment and forbearance periods
Loan Limits*	Maximum annual limits for undergraduate and graduate students are monitored by the school based on federal regulations. Independent students have additional unsubsidized limits. Health Professions, Preparatory, and Teacher Certification students have increased limits based on the program of study.	Maximum annual limits for undergraduate and graduate students are monitored by the school based on federal regulations. Independent students have additional unsubsidized limits. Health Professions, Preparatory, and Teacher Certification students have increased limits based on the program of study.
Borrower Fees	A federal loan origination fee of 0.5% is deducted from the loan proceeds. A 1% default fee will also be deducted unless waived fully or partially by ISAC and/or the lender.	A federal loan origination fee of 0.5% is deducted from the loan proceeds. A 1% default fee will also be deducted unless waived fully or partially by ISAC and/or the lender.
Payment of Interest	Federal government pays interest while the student is in school, during the grace period, and during authorized periods of deferment.	Student is always responsible for interest payments. Students may choose to have interest accrue while in school. Accrual begins on the date of first disbursement.
Grace Period	Ends 6 months after student has ceased at least half-time attendance.	Ends 6 months after student has ceased at least half-time attendance.
Repayment Period**	10 years	10 years

*For undergraduate programs less than a year, loan amounts will be prorated.

**Repayment periods may vary based on repayment options offered and selected.