

IMPORTANT INSTRUCTIONS BEFORE APPLYING FOR DIRECT LOAN

1. You must complete the **2011-2012 FAFSA** application online. Review the **Student Aid Report (SAR)** that you will receive approximately 1 week after submitting the FAFSA since you may be required to submit additional documents such as Verification Form and Tax Returns. The verification forms and instructions are found at: <http://www.baruch.cuny.edu/financialaid/verification.htm>.
2. **DO NOT SUBMIT A LOAN APPLICATION UNTIL YOU HAVE COMPLETED STEP ONE!**
3. It is **Vital** that you budget for the entire academic year prior to submitting a loan application to make sure you will borrow enough to cover all anticipated expenses, including **winter intersession** (associated with fall). Submit **ONE** loan application per academic year.
4. ** If this is your first loan at Baruch, you must complete your **Entrance Counseling** and **Master Promissory Note (MPN)** online at www.studentloans.gov. ** You must print copies of both entrance counseling and your promissory note to keep for your records.
5. Subsidized loan is based on need. The federal government pays the interest while you're in school for at least half-time status. Interest will begin 6 months after you fall below half-time or graduate from the school. Unsubsidized loan is not based on need and interest is charged from the date the funds are disbursed.
6. Interest rate is currently fixed at 6.8% unsubsidized, 4.5% subsidized for undergraduate students, 6.8% for both subsidized and unsubsidized for graduate students.
7. We award up to full subsidized eligibility prior to approving an unsubsidized loan. **If you know you will need the loan, you should indicate you want to be considered for an unsubsidized loan as well.** Loans pay out in at least two disbursements.
8. You must be enrolled at least half-time in order to qualify for a loan. Changes in your enrollment status can compromise your eligibility to receive loan funds. Undergraduates must have a minimum **2.0** GPA and graduate students must have a minimum **3.0** GPA.
9. The Office of Financial Aid may reduce your loan if additional financial aid is awarded **after** your loan application has been processed.
10. **You cannot receive a book voucher from a loan.**
11. If you are taking out a loan to cover the cost of books and/or expenses, other than tuition/fees, be aware that loan funds are disbursed several weeks into the semester.
12. It's highly recommended for all students to sign up for **Direct Deposit** to receive their refund. Paper checks will take longer for you to receive and will take 4-6 weeks to retrace if it's lost.
13. When you graduate, drop below half-time, or are not enrolled - you must complete an **Exit Counseling** session. A stop will be placed on your record to remind you to complete exit counseling. This can be completed at www.studentloans.gov