

FEDERAL DIRECT STAFFORD LOANS

Students who complete the FAFSA and are eligible to be considered for financial aid may receive the Federal Direct Student Loan. This loan may be Subsidized or Unsubsidized (or a combination of both), and is often referred to as the Stafford Loan. This loan is borrowed and repaid by the student. A student's eligibility is determined by the total cost of attendance, results of the FAFSA, and other financial aid resources.

Subsidized Loan: The federal government pays the interest on this loan while you are in school at least half time, during your six month grace period after you leave school, and during any deferment periods. You must have financial need to qualify for this type of loan.

Unsubsidized Loan: You will be charged interest on this loan from the time the loan is disbursed until it is paid in full. You may allow interest to accumulate until repayment, at which time it will be capitalized. We encourage you to make quarterly interest payments, if possible. Financial need is not required to receive this loan.

Acceptance Instructions:

- 1) Accept Federal Direct Stafford Loan(s) in myStThom.
- 2) Go to <https://dlenote.ed.gov> to e-sign an electronic Master Promissory Note (eMPN). Select "Complete New MPN for Student Loans" and follow instructions to complete eMPN for Subsidized/Unsubsidized Loans.
- 3) First-time Stafford Loan borrowers will also need to complete "Entrance Counseling" online at <https://www.dl.ed.gov>. Select "Entrance and Exit Counseling" then proceed with "Entrance Counseling."

Office of Scholarships & Financial Aid
Herzstein Enrollment Center
3800 Montrose Blvd. Houston, TX 77006
(713) 525-2170 Fax (713) 525-2142
www.stthom.edu/finaid
finaid@stthom.edu

