

FEDERAL DIRECT LOANS

The Direct Loan is a low-interest loan designed to provide students with additional funds to assist in paying for education costs not covered by other sources of financial aid. There are two types of Direct loans: subsidized and unsubsidized. To qualify, you must first complete the FAFSA and be enrolled in the Combination Structural & Pipe Welding or Structural Welding program. Repayment begins 6 months after you graduate, leave school, or cease to be enrolled.

FEDERAL DIRECT SUBSIDIZED LOAN

The Subsidized Loan is based on financial need as determined by the Free Application for Federal Student Aid (FAFSA). The federal government pays the interest while you are in school full time.

FEDERAL DIRECT UNSUBSIDIZED LOAN

The Unsubsidized Loan is not based on need, which means students at any income level can qualify. Interest will accrue while in school, during your grace period, and during any authorized deferment periods. The student has the option of paying the interest while in school.

FEDERAL DIRECT PARENT PLUS LOAN

The Parent PLUS Loan is a federally sponsored education loan that offers a low, fixed interest rate. The standard repayment period is ten years, but there is no penalty for early payoff. These loans typically go into repayment 60 days after full disbursement. You may delay repayment while your student is enrolled in school; however interest will continue to accrue. **If your application is denied, your student may be eligible to borrow an additional Federal Direct Unsubsidized Loan as a result of the PLUS denial.**

Federal Financial Aid is received in 2 disbursements. The 1st disbursement is received after 4 weeks of instruction and the 2nd disbursement after the program is 50 % complete. Federal funds will reduce student payment obligations. All Financial Aid funding will not eliminate student payments until the aid meets or exceeds tuition, books and fees.

The Federal Student Aid Ombudsman Group of the U.S. Department of Education is dedicated to helping resolve disputes related to Federal Direct Loans. The Ombudsman Group is a neutral, informal, and confidential resource to help resolve disputes about your federal student loans. Contact at U.S. Department of Education, FSA Ombudsman Group, 830 First Street, N.E., Mail Stop 5144, Washington, DC 20202-5144
(p) 1-877-557-2575, (f) 202-275-0549

INTEREST RATES EFFECTIVE JULY 1, 2017 **Fixed Rates for Loans First Disbursed on or After** **July 1, 2017**

Subsidized Loans 4.45%	Unsubsidized Loans 4.45%	Parent PLUS Loans 7.00%
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Sample Repayment Chart using standard repayment option:

Amount Borrowed	Number of Payments	Monthly Payment at 4.45%	Monthly Payment at 7.00%
\$2,000	43	\$50	\$50
\$3,500	80	\$50	\$50
\$5,500	120	\$57	\$64
\$9,500	120	\$98	\$110
\$10,000	120	-	\$116
\$15,000	120	-	\$174
\$20,000	120	-	\$232
\$25,000	120	-	\$290
\$30,000	120	-	\$348

Federal student loans have loan fees that are a percentage of the total loan amount. The loan fee is deducted proportionately from each loan disbursement you receive. This means the money you receive will be less than the amount you actually borrow. You're responsible for repaying the entire amount you borrowed and not just the amount you received.

The chart below shows the loan fees for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans first disbursed on or after Oct. 1, 2015. More information is located at www.studentaid.ed.gov.

Loan Type	Loan Fee
Direct Subsidized Loans and Direct Unsubsidized Loans	1.069%
Direct PLUS Loans	4.276%