



2008–2009 Federal Stafford Loan Guide

This guide will provide a student borrower with information for Federal Subsidized and Unsubsidized Stafford Loans, which are a part of the Federal Family Education Loan Program (FFELP). Your electronic Financial Aid Notification (eFAN) will let you know, for which of these loans you are eligible and how much has been offered to you. Before you decide to accept a student loan, please read this guide.



STAFFORD FACT SHEET

	<i>Subsidized Stafford Loan</i>	<i>Unsubsidized Stafford Loan</i>
Program Description	<p>Eligibility based on financial need.</p> <p>Federal government pays the interest while student is in school.</p>	<p>Eligibility not based on need.</p> <p>Student is responsible for the interest accrued while in school.</p> <p>Can be offered in conjunction with a subsidized Stafford as long as the maximum annual or aggregate limits have not been exceeded.</p>
Eligibility	<p>Undergraduate and Graduate students enrolled at least half-time.</p> <p>Free Application for Federal Student Aid (FAFSA) must be completed annually.</p>	<p>Undergraduate and Graduate students enrolled at least half-time.</p> <p>Free Application for Federal Student Aid (FAFSA) must be completed annually.</p>
Interest Rate ¹	<p>For loans disbursed on/after July 1, 2008: fixed 6.0% for undergraduates and 6.80% for graduate borrowers. No interest accrues while in school or during grace period.</p>	<p>For loans disbursed on/after July 1, 2006: 6.8% fixed. Interest accrues while in school and during grace period.</p>
Fees ¹	<p>1.0% origination fee charged by US Dept. of Education.</p> <p>1.0% loan default fee charged by the guarantor³.</p>	<p>1.0% origination fee charged by US Dept. of Education.</p> <p>1.0% loan default fee charged by the guarantor³.</p>
Repayment	<p>No payments due while student is in school.</p> <p>Six-month grace period after student leaves school or drops below half time.</p> <p>Standard repayment period of 10 can be extended.</p>	<p>Principal and interest can be deferred while student is in school and during a six-month grace period after the student leaves school or drops below half-time status. Deferred interest will be capitalized (added to the principal), or students can pay interest while in school.</p> <p>Standard repayment period of 10 can be extended.</p>



¹Contact the FAO or your lender to check interest rates on loans borrowed for different loan periods.

²All fees are deducted from the loan amount prior to disbursement of funds.

³UCLA uses EdFund or USAF to obtain guarantees for the lenders on our electronic lender list. Please inquire at the Financial Aid Office, which guarantor works with your lender.

In order for loan funds to be disbursed by the lender, loans must be certified before the last day of the academic period, for which the loan is offered.

APPLYING FOR A STAFFORD LOAN

Stafford Loan Limits are based on your grade level and dependency status:

Dependent Undergraduate:

1st Year..... \$ 3,500
2nd Year..... \$ 4,500
3rd & beyond \$ 5,500

Independent Undergraduate:

1st Year.....\$7,500
(with no more than \$3,500 subsidized)
2nd Year.....\$8,500
(with no more than \$4,500 subsidized)
3rd & beyond\$10,500
(with no more than \$5,500 subsidized)

Graduate:

All\$ 20,500
(no more than \$ 8,500 subsidized)

Aggregate Maximums:

Dependent - \$23,000
Independent - \$46,000 (of which no more than \$23,000 can be subsidized)
Graduate - \$138,500 (of which no more than \$65,500 can be subsidized)

- **Accept** the loan on your electronic Financial Aid Notification (eFAN).
- If you would like to borrow less than the amount offered, indicate the amount you want to borrow on the eFAN.
- **Select your lender** on the eFAN lender drop-down menu. Please refer to 'Selecting a Lender' section on page 3 for additional information on your lender options.
- *If you are a first time borrower at UCLA, complete a Master Promissory Note.* For any of the electronic lenders listed on UCLA's list and the eFAN drop-down menu, go to <https://opennet.salliemae.com> to complete your MPN.
- If you select a non-electronic lender, please contact the lender directly for instructions on how to complete your MPN.
- *If you are a first time borrower at UCLA, complete a Debt Management Session* with Student Loan Services on line at www.loans.ucla.edu.

You do not have to borrow a loan through one of UCLA's electronic lenders. If you want to select a different lender, enter the lender's name on the eFAN and your loan will be processed via a manual process and disbursed via paper checks each quarter.

ACCESS TO YOUR LOAN INFORMATION

UCLA uses Sallie Mae's OpenNet platform to originate (process) loans for all of our electronic lenders. OpenNet is a lender neutral platform and its' use is not intended to endorse the use of any specific lender on the list. OpenNet will allow you to:

- Complete and e-sign your Master Promissory Note (MPN)
- Get real-time information on the status of your loans
- Update your demographic information and references
- Print out your MPN for your records or to submit to the lender if you prefer not to e-sign
- Access history of all FFELP loans borrowed while at UCLA.

STAFFORD DISBURSEMENTS

The total loan amount you accept on your eFAN will be divided equally among the terms of your enrollment at UCLA each academic year. If you apply with one of UCLA's electronic lenders, your loan will be disbursed via Electronic Funds Transfer (EFT) and applied to your UCLA Billing & Receivables Account (BAR). Any funds left after BAR charges are paid, will be refunded to you.



If you choose to work with a lender that does not work with UCLA electronically, your loan will be disbursed via a paper check that will need to be picked up from Student Loan Services each term.



You must be enrolled at least half time (6 units undergraduates; 4 units graduates) in order for your Stafford loans to be disbursed. If you drop below half time enrollment or withdraw from school, you will be billed for all or part of the loans disbursed to you for that term.

SELECTING A LENDER

You have the right to request a cancellation or a reduction of your loan provided that you submit written notification to the Financial Aid Office.

You will be mailed additional information regarding all applicable deadlines. For additional information, please contact the Financial Aid Office.

In order to facilitate the application process for our borrowers and to allow for electronic disbursement of funds, UCLA has set up an electronic process with various partners listed on the electronic lender list, which you can access at:

<http://www.fao.ucla.edu/publications.html>

Listing of the lenders on the eFAN and our electronic lender list is not a guarantee of their benefits or an endorsement of their services.

You do not have to borrow from one of the electronic lenders listed. If you prefer to borrow from a lender with which we do not work with electronically, please contact them directly to complete your loan application. Please note that we will not be able to disburse funds electronically for lenders that do not participate in UCLA's electronic process. Please check with the Financial Aid Office for additional information.

You may contact Sallie Mae to obtain information on any loan borrowed through one of UCLA's electronic lenders:



Sallie Mae Loan Servicing Center

P. O. Box 147020

Gainesville, FL 32614-7020

<https://opennet.salliemae.com>

Phone: 888-272-5543

Fax: 800-848-1949

The repayment benefits listed will remain in effect when your loan is in repayment regardless of the sale and/or servicing arrangement between the lender and Sallie Mae. **Borrower benefits are subject to change by the lender without prior notice.**

