



Student Aid for Graduate Students

The Federal Stafford Loan and Federal PLUS Loan Programs can provide graduate and professional students with sources of funds.

A Federal Stafford Loan has a fixed interest rate that is lower than the Federal PLUS Loan interest rate and a credit check is not required. However, a Federal Stafford Loan has an annual loan limit.

With a Federal PLUS Loan a credit check is required, but you may borrow up to your full cost of attendance, minus any other financial aid you receive (including subsidized and unsubsidized Federal Stafford Loans, scholarships, and certain fellowships). Federal PLUS Loans have a fixed interest rate that will not change throughout the life of your loan.

Both the Federal Stafford Loan and the Federal PLUS loan have loan fees that equal a percentage of the loan amount. The fees are deducted proportionately from each disbursement of your loan.

You must first accept the maximum amount of Federal Stafford Loan before you receive a Federal PLUS Loan.

To be eligible for these loans:

- you must be enrolled at least half time in a graduate or professional program (for example, a program that leads to a Master's Degree or to a law or medical degree) at a school that participates in the William D. Ford Federal Direct Loan (Direct Loan) Program;
- you must meet all of the other general eligibility requirements for the Federal Student Aid programs; and
- for a Federal PLUS Loan, you must not have an adverse credit history (a credit check will be done).

To apply for a federal loan, you must first complete the Free Application for Federal Student Aid (FAFSA). After you complete the FAFSA, your school will tell you how much you are eligible to receive in federal aid.

Then it's up to you to decide whether to apply for a Federal Stafford Loan or Federal PLUS Loan or both. Once you decide, you'll need to complete a Master Promissory Note. You'll receive your funds through the federal government (Direct Loan Program).

Remember: student loans must be repaid, with interest, just like car loans and mortgages. Loans are legal obligations, so carefully consider the amount you'll have to repay before you take out a loan.

You won't have to start repaying a Federal Stafford Loan until six months after you graduate, leave school, or drop to less than half-time enrollment. The first payment on a Federal PLUS Loan is due within 60 days after the loan is fully disbursed. There is no grace period for Federal PLUS Loans. However, your lender will postpone the date your repayment starts with an in-school deferment. With an in-school deferment, you aren't required to make payments while you are in school at least half time and for six months after you graduate or leave school, or drop below half-time enrollment.

For further information, visit the Web site of Federal Student Aid at <http://studentaid.ed.gov>.