



## **Types of Loans**

There are four types of loan available for U.S. students attending University of Prince Edward Island:

Direct Loan – undergraduate subsidized

Direct Loan – undergraduate unsubsidized

Direct PLUS Loan - graduate unsubsidized

Parent PLUS Loan – dependent undergraduate

Note: U.S. Pell Grants are not available for student attending foreign schools.

For complete details about these loans, please visit <http://www.direct.ed.gov/> and/or <https://studentaid.ed.gov/types/loans/subsidized-unsubsidized>.

## **Initial Eligibility**

You must meet the following eligibility requirements to apply for the Direct Loan program:

- Be a U.S. citizen or U.S. National (or have a Green Card)
- Acceptance in a full-time federal aid approved program
- Have a valid Social Security Number

For more information on determining your eligibility, please visit <https://studentaid.ed.gov/eligibility>.

## **Loan Amounts and Limits**

For all students, the U.S. Direct Loan program has annual as well as lifetime loan limits that vary according to a student's:

- Grade level
- Status (dependent or independent)
- Loan type: Subsidized (need-based) or Unsubsidized and PLUS (non-need based)
- Cost of attendance



The following table provides a breakdown of annual and aggregate loan limits.

<b>Year</b>	<b>Dependent Students (except students whose parents are unable to obtain PLUS Loans)</b>	<b>Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)</b>
First-Year Undergraduate Annual Loan Limit	\$5,500—No more than \$3,500 of this amount may be in subsidized loans.	\$9,500—No more than \$3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	\$6,500—No more than \$4,500 of this amount may be in subsidized loans.	\$10,500—No more than \$4,500 of this amount may be in subsidized loans.
Third-Year and Beyond Undergraduate Annual Loan Limit	\$7,500—No more than \$5,500 of this amount may be in subsidized loans.	\$12,500—No more than \$5,500 of this amount may be in subsidized loans.
Graduate or Professional Students Annual Loan Limit	Not Applicable (all graduate and professional students are considered independent)	\$20,500 (unsubsidized only)
Subsidized and Unsubsidized Aggregate Loan Limit	\$31,000—No more than \$23,000 of this amount may be in subsidized loans.	\$57,500 for undergraduates—No more than \$23,000 of this amount may be in subsidized loans. \$138,500 for graduate or professional students—No more than \$65,500 of this amount may be in subsidized loans. The graduate aggregate limit includes all federal loans received for undergraduate study.

## How to apply

### Applying for a Direct Loan

1. Complete a [Free Application for Federal Student Aid \(FAFSA\)](#) for the applicable academic year. The University of Prince Edward Island's federal school code is 00936700
2. E-sign a [Master Promissory Note](#)

University of Prince Edward Island USDL Information updated Summer 2015; adapted from sources including:

Federal Student Aid – Foreign Schools Handbook:

<http://www.ifap.ed.gov/ForeignSchoolInfo/ForeignSchoolsHandbook.html>

Holland College - US Student Financial Aid: <http://www.hollandcollege.com/u-s-student-financial-aid/>



### Applying for a Parent PLUS loan

1. Parent to complete a [Free Application for Federal Student Aid \(FAFSA\)](#) for the applicable academic year. The University of Prince Edward Island's federal school code is 00936700
2. Complete a loan application to authorize a credit check **and** E-sign a [Master Promissory Note](#)

## Receiving Direct Loan

Once the loan has been processed, a letter confirming your loan amount(s) will be e-mailed to the address provided on your application. You must sign the letter in approval of the approved funds.

Your loans will be disbursed in two equal instalments as follows:

Fall term: disbursed in August

Winter term: disbursed in December

All student tuition and fees owing will be paid first from the proceeds of the disbursements and any remaining funds, if any, will be disbursed to you. For PLUS loans, the parent will be required to give permission to the University of Prince Edward Island on how the funds should be disbursed after tuition and fees are paid.

For students beginning in the winter term, the first disbursement will be in December and the second disbursement in August.