

Direct Loan Information:

- Complete the Free Application for Federal Student Aid (FAFSA) prior to requesting a Federal Direct Student loan. The FAFSA can be filed on-line by going to www.fafsa.ed.gov.
- A first-time Federal Direct Student loan borrower at WCC must complete the Master Promissory Note (MPN). The MPN is signed electronically on the web at www.studentloans.gov using your FSA ID and password. Be sure to complete all steps. The FSA ID and password is the same information used to sign your Free Application for Federal Student Aid (FAFSA).
- Entrance Counseling Session. The Direct Loan Entrance Counseling session for undergraduate subsidized and unsubsidized loans must be completed online at www.studentloans.gov. Entrance Counseling must be completed every award year.
- Submit a completed Direct Student Loan Request Form to the Financial Aid Office at least 30 days prior to the time loan funds are needed. Standard processing time for loan applications is 5-7 business days.
- Submit copy of State Issued Picture ID (Driver's License, State Issued Photo ID)
- Students must be meeting Satisfactory Academic Progress to be eligible for student loans and must be enrolled in at least six credits.*

IMPORTANT NOTES

1. It is not necessary to select a lender for the Federal Direct Student Loan. WCC is a Direct Lending School and the student loan will be set up with the Federal Direct Loan Program through the U.S. Department of Education.
2. Please note that the Bipartisan Student Loan Certainty Act of 2013 implemented variable-fixed interest rates on newly originated undergraduate subsidized and unsubsidized loans effective July 1, 2013. Interest rates are determined annually based on the Final Auction of the 10-year U.S. Treasury Bills prior to June 1st and are not to exceed 8.25%. Student borrowers must call the Direct Loan Servicing Center (DLSC) at 800-848-0979 to resolve questions about your loan(s).
3. You may choose to pay interest on your Direct Unsubsidized Loan while you are in school. If you choose not to pay the interest while you're in school, it will be added to the unpaid principal amount of your loan. This is called "capitalization," and it can substantially increase the amount you repay. It will save you some money in the long run if you pay the interest as it accrues on your loan while you're in school or during the grace period. This is also true if you pay any interest that accrues during periods of deferment or forbearance after you leave school.
4. The Student Loan MPN must be completed for the initial student loan at WCC, but not for subsequent loans. The FAFSA, Student Loan Request Form, and Entrance Counseling must be completed each award year. If applying for a student loan for the summer semester, you must fill out a separate loan request form.
5. Approval or denial of the Direct Student Loan is at the discretion of the college financial aid office. We reserve the right to refuse a loan due to academic deficiency or evidence that a student may have difficulty managing loan debt.
6. Loan application priority dates are as follows: Fall- August 1st, Spring- December 1st, and Summer- May 1st of every year. Loan applications will be accepted after these dates however, loan funds may be delayed.
7. Loan funds will not disburse until all requirements are complete. Failure to complete all requirements within 30 days of the beginning of the first term of enrollment will result in the cancellation of your loan and any balance will be immediately due to the college. Students can check for processing requirements via their student email accounts.
8. Students have the right to cancel or reduce all or part of their loan prior to the first day of the semester or within 14 days of notification of the loan by submitting a written statement to the Financial Aid Office as soon as possible before disbursement. A parent may not decline a student loan.
9. Loans can affect institutional scholarships that you may be receiving. Please check with the Educational Foundation Office if you have a scholarship to see how a loan can affect the amount you are receiving.

****Wytheville Community College does not participate with Parent PLUS loans.****

