

Types of Stafford Loans

Your National-Louis University Financial Aid award includes a Federal Stafford Loan. There are two types of Stafford Loans:

Subsidized Stafford Loan

Eligibility is based on financial need. The federal government will pay the interest until you begin repayment.

Unsubsidized Stafford Loan

Unsubsidized loan amounts are intended to help students that do not qualify for need-based aid or need-based aid is not sufficient to meet educational expenses. Many students receive both a Subsidized and Unsubsidized Stafford Loan for the same period. The total of your combined Stafford Loans may not exceed the annual loan limit.

National-Louis University

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Lender Code: 831453

Stafford Loan Guide

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Steps to Receiving a Stafford Loan

Selecting a Lender

Steps to Receiving a Stafford Loan

1. Read all information on your financial aid Award Letter Notification. The Notification lists all the aid programs and the maximum amounts that you are eligible to receive.
2. Determine the amount you need to borrow. You may borrow any amount up to the maximum listed on your Award Letter Notification. Compare all aid amounts to your anticipated tuition and fee charges and the other educationally related expenses, such as transportation and books, which you may incur. Then determine the amount that you need to borrow. An origination fee is deducted from your loan before it is disbursed. The net amount of the disbursement varies between 96% and 97% of the principal (gross) amount. You may want to factor in an allowance for this fee when determining the amount to request.
3. Complete the Loan Authorization Letter, which is the last page of your Award Notification Letter. Indicate the amount you want to borrow and make a lender selection. Return the Authorization to the Student Finance Office.
4. NLU will create an electronic loan application and certify the loan. This information will be forwarded to your lender as an electronic document.
5. If this is your first Federal Stafford Loan, you must complete Stafford Loan Entrance Counseling before your loan funds can be disbursed. Entrance Counseling can be done online at www.mapping-your-future.org.
6. If this is your first loan or you are changing lenders, you must complete a Master Promissory Note. Your lender will send the MPN and/or information about completing the MPN online to your permanent home address. All NLU partner lenders have online and electronic signature capability.
7. The lender will disburse the funds to NLU through the National Disbursement Network. This is a two to three business day process.
8. When the funds are received, NLU will review all eligibility requirements and then post the funds to your student account. If federal funds create a credit balance, NLU will refund the excess funds to you by mailed check. Refund checks are generally processed within the same week, but always within 14 business days.

Selecting a Lender

Graduate Students

Federal regulations allow graduate students to receive student loan services and funds directly from a college or university. At participating schools, the loan process is streamlined and the delays that occur when a third party lender is used are eliminated. It also ensures that the school has complete control over the funding and is not just an intermediary between the student and lender. National-Louis University is recognized by the U.S. Department of Education as both an eligible institution of higher education and a student loan lender.

If you are a first-time graduate borrower, your lender for your graduate student loan will be **National-Louis University**, an Edfinancial Services lender. Our graduate student loan program will provide you the best and most efficient service possible at each stage of the student loan process.

While you are in school, NLU will facilitate all loan processes and provide your student loan funds. After disbursement, Edfinancial Services, specifically structured to meet your repayment needs, will acquire your loan. Renewal graduate borrowers, students with an outstanding balance on a previous student loan, may choose to retain their current lender or change to National-Louis University. In general, we encourage students to use one lender for all student loans to avoid confusion in repayment. However, if you use more than one lender you can contact Edfinancial Services for loan consolidation information.

Graduate Lender	Lender Code	Borrower Benefits
National-Louis University	833956	<ul style="list-style-type: none">• 4% rebate of original principal balance after first 33 on-time automated payments with SmartPay.

Undergraduate Students

Colleges and universities cannot serve as a lender for undergraduate students, so you must select a lender. Generally, there is no advantage or reason for using your personal bank as your student loan lender. Most financial institutions process all loans through a national center and do not provide local service.

Student loan limits, interest rates, and most repayment terms are controlled by regulation. Lenders do differ by service level, repayment options, and special incentives for timely payments. NLU works with four partner lenders listed below. These lenders were selected based on their exceptional customer service and having among the best incentive programs available.

First-time undergraduate borrowers should select one of the partner lenders. We recommend that renewal undergraduate borrowers, students with outstanding balances owed on prior Stafford Loans, use their current lender.

Undergraduate Lender	Lender Code	Borrower Benefits
Edamerica	831453	<ul style="list-style-type: none">• Immediate 1% origination fee reduction at disbursement.• 4% rebate of original principal balance after first 33 on-time automated payments with SmartPay adding up to a total savings of 5%.
Citibank	826878	<ul style="list-style-type: none">• 0.25% interest rate reduction with auto debit.• 2% interest rate reduction after first 48 consecutive, on-time payments.• 0.25% interest rate reduction at repayment.
Educaid/Wachovia	830005	<ul style="list-style-type: none">• 3.5% rebate of original loan amount after first 36 consecutive, on-time payments. May choose cash rebate or apply rebate to principal.
Fifth Third Bank	803264	<ul style="list-style-type: none">• 3.3% principal reduction after 30 months of on-time payments.• 0.25% interest rate reduction with auto debit.