



## 2023-2024 FEDERAL DIRECT STUDENT LOAN REQUEST FORM

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- 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](http://www.fafsa.ed.gov).
- A first-time Federal Direct Student loan borrower must complete the Master Promissory Note (MPN). The MPN is signed electronically on the web at [www.studentaid.gov](http://www.studentaid.gov) using your Federal Student Aid (FSA) ID. Be sure to complete all steps. Your FSA ID is the same username and password that you use to sign your Free Application for Federal Student Aid (FAFSA). If you do not remember or have not created an FSA ID, you can retrieve it at [www.studentaid.gov](http://www.studentaid.gov).
- Entrance Counseling Session. The Direct Loan Entrance Counseling session for undergraduate subsidized and unsubsidized loans must be completed online at [www.studentaid.gov](http://www.studentaid.gov).
- Submit the completed Direct Student Loan Request Form to the Financial Aid Office. Standard processing time for loan applications is 5-7 business days.

### IMPORTANT NOTES

1. It is not necessary to select a lender for the Federal Direct Student Loan. Brightpoint Community College is a direct lending school and the loan is available through the Federal Direct Loan Program with the U.S. Department of Education. Information regarding the loan will be submitted to the National Student Loan Data System (NSLDS), and will be accessible by guaranty agencies, lenders, and schools determined to be authorized users of the data system.
1. 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 Bill prior to June 1st and are not to exceed 8.25%. For the 2023-2024 aid year, the interest rate for subsidized and unsubsidized loans is 5.50%.
2. 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 are in school, the interest will be added to the unpaid principal amount of your loan. This is called "capitalization," and it can substantially increase the total amount you must repay. Paying the interest as it accrues on your loan while you are in school or during the grace period will save you money. This is also true if you pay any interest that accrues during periods of deferment or forbearance.
3. Within the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) (Public Law 112-141), a new provision was added to the Direct Loan statutory requirements that limits a first-time borrower's eligibility for Direct Subsidized Loans to a period not to exceed 150 percent of the length of the borrower's current educational program. A "first-time borrower" refers to a borrower with no balance on a Federal Family Education Loan (FFEL) or Direct Loan on/after July 1, 2013. Under certain conditions, the provision also causes first-time borrowers who have exceeded the 150 percent limit to lose the interest subsidy on their Direct Subsidized Loans.
4. The Federal Direct Loan MPN must be completed for the initial student loan, but not for subsequent loans. The FAFSA and Student Loan Request Form must be completed each year.
5. Approval or denial of the Direct Student Loan is at the discretion of the Financial Aid Office. We reserve the right to deny a loan due to academic deficiency, evidence of improper utilization of the funds, or demonstration of the inability to manage loan debt.
6. Loan application priority dates are as follows: Fall semester- May 15<sup>th</sup>, Spring semester- September 15<sup>th</sup>, and Summer semester- March 15<sup>th</sup> 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 through their My Brightpoint account at [www.brightpoint.edu/mybrightpoint](http://www.brightpoint.edu/mybrightpoint).
8. Students have the right to cancel or reduce all or part of the student 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 or by completing a Federal Direct Student Loan Adjustment Form as soon as possible before disbursement. A parent may not decline a student loan.

