

Federal Stafford Loans

Loans are the reason that the financial aid award letter exists. You must respond to your award letter with instructions about whether or not you choose to accept the loans you have been offered.

If you do not reply to the award letter, no further action will be taken to place the loans on your account.

Students who choose to accept loans as part of their financial aid package must do the following three things:

1. Enroll in at least **6 credit hours** each semester.
2. Maintain [satisfactory academic progress](#).
3. Limit borrowing to [annual and aggregate maximums](#)

IF THIS IS YOUR FIRST YEAR AT SOUTHWESTERN, you must complete some additional steps to set up your loan for the first time.

Instructions for Setting Up A Stafford Loan

STEP 1
Choose
Your Lender

STEP 2
Complete Master
Promissory Note

STEP 3
Receive
Your Funds

STEP 1: Choose Your Lender

You are welcome to choose any lender that participates in the Federal Stafford student loan program. You may also choose from Southwestern College's [Preferred Lender List](#).

When you have made your choice, e-mail it to the [Office of Financial Aid](#) with "Lender Choice" in the subject line.

STEP 2: Complete Master Promissory Note (MPN)

Once you have chosen a lender and e-mailed your choice to the Office of Financial Aid, Southwestern College will set up the loan and promissory note with your chosen lending institution.

When the loan is ready to sign, the lender will direct you to a website where you can complete your entrance interview and Master Promissory Note (MPN). The e-mail you get will depend upon the lender you choose. Watch your e-mail and follow directions when you get them.

If you have not received this e-mail within 5 business days after you have chosen your lender, please contact the [Office of Financial Aid](#). Please note that if you are transferring to Southwestern for the first time, you will not receive the e-mail until all of your transcripts have been received by the college.

STEP 3: Receive Your Funds

After the paperwork is in place, the lending agency you have chosen will prepare your funds to be released to Southwestern College via electronic funds transfer. Depending on the time of semester, you

should expect to see the funds applied to your account within one week of their release.

Please note that during peak periods (the beginning of each semester), please allow two weeks for the funds to be applied.

Prior to delivering the funds to Southwestern, some banks will remove a 3% loan fee from the loan principle. For example, if your loan is for \$2,625, Southwestern will actually receive \$2,546.25.