

FAQ'S

Q 1 When should I apply for my Federal loans and how long will it take to process?

A) Students need to apply for their Federal Direct Loans through our Virtual Financial Aid Office (VFAO) interview, which will generally go live the beginning to middle of June. The US loans office will inform the student that the interview is live. The student can then complete the interview and the University checks the system weekly. The interview will normally be approved 1 week after.

Q2 Can I cancel or change my loan amounts?

- A) Yes you can cancel or change all or part of your loan before it has been paid. After the funds have been paid you can make changes within a certain timeframe. Your Master Promissory Note (MPN) will provide details of the procedure and time frames for cancelling your loans.
- B) Before you do this, please contact the US Loans Office so we can guide you.

Q3 What is an MPN?

A) MPN stands for Mater Promissory Note and is a legal document in which you the student promise to repay your loan(s) and any accrued interest and fees. The document will disclose the terms and conditions of your loan(s). You will need to complete an MPN for each loan that you take out and should ensure it is the **correct School and year**. The link below is from the studentloans.gov website to apply for the MPN for types of Direct Loans.

<https://studentloans.gov/myDirectLoan/launchMpn.action>

Q4 I applied for my US Loans last year, do I need to re-apply or will I automatically receive loans for each year of my course?

A) You must apply for your loans every year through the FAFSA and complete the Master Promissory Note and Entrance Counselling for each year.

Q5 What is the Cost of Attendance (COA)?

A) Your COA refers to the costs associated with completing your studies for one academic year. If you are in receipt of any Bursaries or Scholarships these will be deducted off the COA. The costs relate to you, the student and include; course tuition fees, accommodation costs, general living costs and travel expenses. The costs taken into account are shown in a table shown under 'how to apply for your loans'. The costs cannot include costs for a partner but some costs can be included for children. The COA is set at the beginning of the year and students cannot borrow more than this.

Q6 What is the EFC?

A) The EFC stands for the 'Expected Family Contribution' and is shown on your student's Aid Report (SAR). The SAR is generated once a FAFSA has been completed. The EFC is used to determine 'need' and therefore it limits the amount of subsidized loan that can be borrowed. You can borrow up to the full cost of attendance, even if there is a high EFC, by using the Unsubsidized and Plus loans. The School cannot amend the EFC even if your family is not contributing to your studies.

Q7 What is an Originating Fee?

A) This is a fee charged by the US Department of Education to cover all administrative costs, relating to your Federal Loans. The charge may vary from year to year. The current charge is documented in the 'How to apply for your US Loan' section.

Q8 What is Entrance and Exit Counselling?

A) Entrance and Exit Counselling are online courses which will highlight your responsibilities and obligations associated with the Federal loans. Counselling for both is mandatory and if not undertaken will result in any loans not being disbursed. Exit Counselling will be undertaken at the end of every Academic year and for if you are studying a one year programme, exit counselling will be requested by the School prior to a third disbursement being paid.

Q9 How do I set up a UK bank account?

A) As the University doesn't currently have a USD bank account we can only make payments to you in pound sterling. Therefore you will need to set up a UK bank account as soon as you have enrolled. To open a UK bank account you will need:

- Proof of your identity – this could be your passport.
- Proof that you are a student- this could be your offer letter or a bank letter from the University (obtained from the student hub).
- Proof of your address – This could be your contract, a utility bill or a bank letter from the University.

Please read the link below for further information

<http://www.leedsbeckett.ac.uk/studenthub/uk-money-explained/>

Q10 When do I have to pay back my loan?

A) When you have graduated, left School or dropped below half time enrolment there will be a 6 months grace period before you are required to begin repaying your loan (s).

During this time your Loan Servicer will be in touch with you to provide you with repayment information and notify you of the first payment due date.

Q11 What if I have trouble repaying my loan?

A) If you find yourself unable to make the scheduled loan payments, you will need to contact your loan servicer immediately. They can then go through your options to ensure that your loan is kept in good standing. Please see the link below

<https://studentaid.ed.gov/sa/repay-loans>