

# Terms & Conditions of US Federal Direct Loans

**The U.S Department of Education stipulates that the following must apply:**

## **SATISFACTORY ACADEMIC PROGRESS (SAP)**

Your eligibility for Direct Loans is dependent upon your **continued attendance and participation** on the relevant degree programme. If there is any change to your circumstances (for example temporary or permanent withdrawal, extensions, etc.) you must inform us and the U.S. Department of Education immediately. Please read the full [Satisfactory Academic Progress Policy 2019](#) for further information.

You will be required to provide the Student Financial Support team with the name and contact details (including email address) of your supervisor / tutor within the first two weeks of the start of the academic year. We are required to contact them and confirm your satisfactory academic progress. **Without this progress confirmation we are unable to process any of your Direct Loan disbursements.**

## **COUNSELLING**

Entrance and Exit Counselling must be completed at the appropriate times. This can be done online at [www.studentloans.gov](#). All new students who have not received a FFEL Stafford Loan or Direct Loan must complete entrance counselling prior to any funds being disbursed from the U.S Department of Education. All students must complete exit counselling before the final disbursement is paid.

## **DEFAULT**

If you are in default on any student loan, you will **not** be eligible for a further student loan.

## **HALF-TIME ATTENDANCE**

Where course attendance is not 'at least half-time' in comparison to a full-time course, students on these courses will **not** be eligible for the Federal Loans. Therefore students on the MBA Global, Executive and Weekend courses, and students taking Postgraduate Certificates, Postgraduate Diplomas or Distance Learning courses are not eligible for the Federal Loans.

We will confirm your attendance on the National Student Loan database every other month as required by the US Federal Law.

## **FUNDING FROM OTHER SOURCES**

Any student who is in receipt of Direct Loans must inform us of any additional funding (expected or received) before and after your student loan entitlement is calculated. Your loan entitlement will be recalculated upon the discovery of other sources of funding.

## **LOSS OF AID ELIGIBILITY DUE TO SUBSTANCE MISUSE**

The Higher Education Act (1965) as amended (HEA) suspends aid eligibility for students who have a Drug Conviction. The Student Financial Support Office will notify students who lose their federal student aid eligibility by email of the ways in which eligibility can be regained. Under section 484(t) of the HEA eligibility to federal aid can be regained where a student successfully passes two unannounced drug tests.

## **REPAYMENTS**

**All loans are repayable.** You will be required to arrange repayment directly through your loan servicer. You can check who your loan servicer at National Student Loan Data System website.

Further information about repayment can be found on:

- [Federal Student Aid website](#)
- [Student Aid website](#)

## **RIGHT TO CANCEL**

Direct Loans funds are disbursed electronically. Students will be notified by email prior to each disbursement, that their payment is expected and the amount and type of loan. Students have up to **10 working days** to inform us if they no longer wish to receive these funds. If a student wishes to cancel their loans after the disbursement is made, and 120 days has passed, the student is responsible for returning the funds to the U.S. Department of Education along with any interest accrued.

## **WITHDRAWAL**

If you interrupt your study, withdraw or fall below half-time enrolment you must inform the Student Financial Support team immediately.

Under US federal law, we are required to report any changes to your enrolment within tight timescales. We may be required to complete a Return to Title IV (R2T4) calculation and arrange for any 'unearned' loan funds to be returned to the US Department of Education. If the unearned funds have been paid to you, you may have to return these. However we will inform you of this by email.

Please read the [Return of Title IV Funds policy \(R2T4\)](#) for further details.