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Source: 2017-2018 FSA Handbook, U.S. Department of Education

Terms and Conditions of Title IV Higher Education Act Loans

Your loan eligibility is directly correlated to your classification as either Dependent or Independent. Here below are the criteria for both classifications:

Independent: For the purposes of federal aid, a student is considered independent if he or she meets one or more of the following criteria:

- The student is at least 24 years old by December 31 of the award year.
- The student is an orphan or ward/dependent of the court, or was a ward/dependent of the court until he or she reached age 18
- The student is at least 24 years old by December 31 of the award year
- The student is a veteran of the U.S. Armed Forces
- The student is working on a master's or doctorate program at the beginning of the award year for which the FAFSA is completed
- The student is married as of the date the FAFSA is completed
- The student has at least one child who receives more than half of his or her support from the student
- The student has a dependent, other than a spouse or a child, who lives with the student and receives more than half of his or her support from the student at the time the FAFSA is completed and through June 30 of the award year

Dependent: The student is considered dependent if he or she does not meet any of the preceding criteria for an independent student unless the financial aid administrator determines that the student is independent on the basis of special circumstances and performs a dependency override.

Federal Subsidized/Unsubsidized Loans are subject to origination fees of 1.069% by the U.S. government (for loans first disbursed on or after October 1st, 2016 and before October 1st 2017), with an interest rate of 4.45% (for loans first disbursed on or after July 1st, 2017 and before July 1st 2018). For loans first disbursed on or after October 1st, 2015, the origination fee is 1.068%.

Parent PLUS Loans are subject to origination fees of 4.276% by the U.S. government (for loans first disbursed on or after October 1st, 2016 and before October 1st 2017), with an interest rate of 7.00% (for loans first disbursed on or after July 1st, 2017 and before July 1st 2018). For loans first disbursed on or after October 1st 2015, the origination fee is 4.272%.

Repayment by Loan Type:

	Direct subsidized loan (federal)	Direct unsubsidized loan (federal)	Parent PLUS loan (federal)	Private loan
How do repayments work?	No interest or payments as long as you are enrolled on an eligible program at least half-time.	No payments as long as you are enrolled on an eligible program at least half-time. Interest accrues whilst you are studying.	No payments as long as student is enrolled on an eligible program at least half-time. Interest accrues whilst you are studying.	Loans are not part of federal programs, so repayment options may vary.
When do repayments start?	Usually six months (known as the 'grace period') after your course finishes or you become less than half-time.	As for subsidized loans	In most cases, about 30 days after your course finishes.	Variable. Repayment options tend to be less flexible than for federal loans.