



Financial Aid



2023-2024

Parent FAFSA Refusal Form

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Description of the Federal Direct Unsubsidized Student Loan Program

Unsubsidized Direct Student loans accrue interest from the time the unsubsidized loans are disbursed until they are paid in full. You can pay the interest or allow it to accrue (accumulate) and be capitalized (that is, added to the principal amount of the loan). Capitalizing the interest will increase the amount owed.

After you graduate, leave school, or drop below half-time enrollment, you will have a six-month "grace period" before you begin repayment. During this period, you'll receive repayment information, and you'll be notified of your first payment due date. You are responsible for beginning repayment on time, even if you do not receive this information. Payments are usually due monthly. During the grace period on an unsubsidized loan, you do not have to pay any principal, but interest will continue to accrue. You can either pay the interest or it will be capitalized (added to your principal loan balance, thus increasing the amount you will repay).

In addition to charging interest on the loan, the U.S. Department of Education, as the lender, takes a loan **Origination Fee** of 1 to 2 percent of the loan, deducted proportionately from each loan disbursement.

For more information on Federal Direct **Unsubsidized** Loans, including current interest and Origination Fee rates, repayment plans, cancellations, and deferments, see

<https://studentaid.gov/understand-aid/types/loans>

ANNUAL DIRECT STUDENT LOAN LIMITS FOR DEPENDENT STUDENTS	
Student Academic Level	Unsubsidized Loan Limit
Freshman (0-29 earned units)	\$5,500*
Sophomore (30-59 earned units)	\$6,500*
Junior and Senior (60 or more earned units)	\$7,500*

*Annual Direct