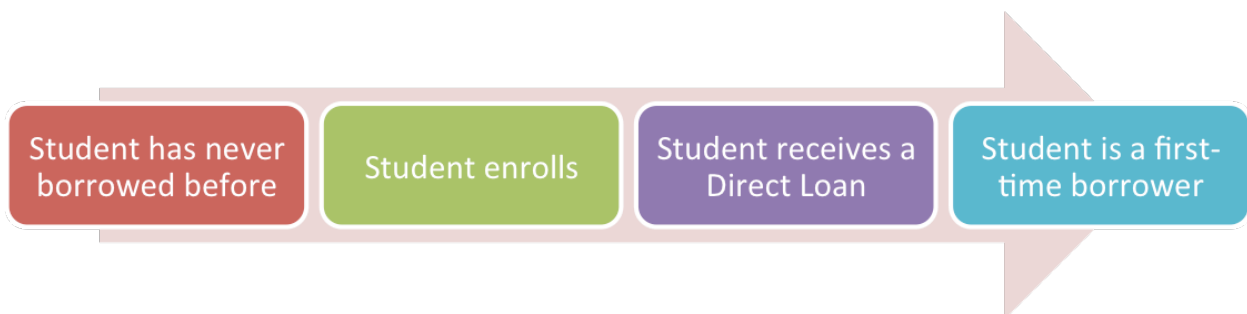


150 % Direct Subsidized Loan Limit (SULA)

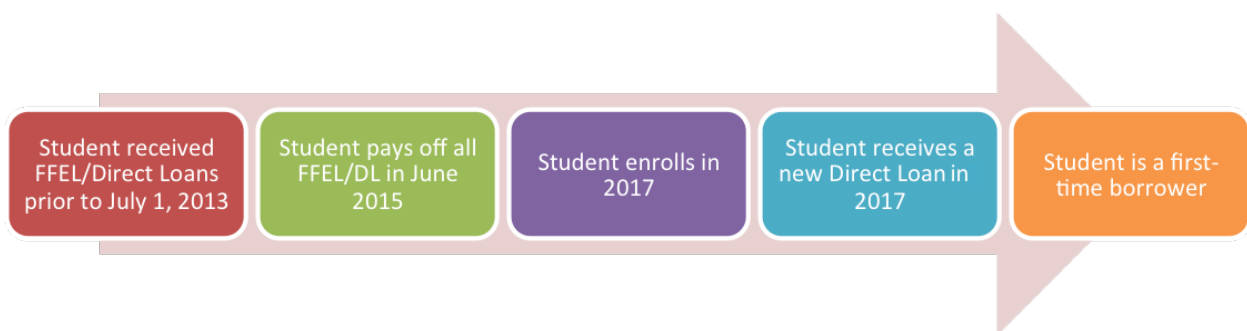
There is a new provision that limits a first-time borrower's eligibility for Direct Subsidized Loans to a period not to exceed 150 percent of the length of the borrower's educational program ("the 150% limit).

- A Subsidized Direct loan is a loan for students with financial need as determined by federal regulations. No interest is charged while you are in school at least half-time, during your grace period, and during deferment periods.
 - Under certain conditions, the provision also causes first-time borrowers who have exceeded the 150 percent limit to lose the interest subsidy on their Direct Subsidized Loans.
- The 150% Direct Subsidized Loan Limit provision applies only to "first-time borrowers" on or after July 1, 2013:
- The Department of Education will determine whether borrowers are "first-time borrowers" for purposes of the 150% limit.

First-Time Borrower, Example A:



First-Time Borrower, Example B:



Maximum Eligibility Period

The 150 Percent Direct Subsidized Loan Limit provision uses a calculation that includes the borrower's "Maximum Eligibility Period".

*A borrower's Maximum Eligibility Period is a period that is equal to 150% of the published length of the student's academic program.

Example

Program Length		Maximum Subsidized Loan Eligibility Period
2-Year Associates	X 1.5	3.00 Years (Based on Full-Time Enrollment)
1-Year Certificate	X 1.5	1.50 Years (Based on Full-Time Enrollment)
1-Semester Certificate Program	X 1.5	1 Semester (Based on Full-Time Enrollment)