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**London  
South Bank  
University**

# US Loans

Please read these pages carefully with regards to applying for your loan(s).

**2024/25**

London South Bank University (LSBU) participates in the William D. Ford Federal Direct Loan Program (Direct Loans). This is the main U.S. Federal funding available to U.S. students in the UK. LSBU's Direct Loan federal code is G33523 (or 03352300).

Current U.S. federal legislation prohibits US citizens enrolled in a college outside the United States from receiving Pell Grants, SEOG, Perkins Loans and Federal Work Study funds even though they may be eligible for such assistance.

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# 1. Types of loans and Eligibility

## 1.1 Programme eligibility for Federal Student Aid

You will need to be enrolling on a programme which is eligible for Title IV aid at a foreign school. Please contact the [US Loans Team](#) if you are uncertain if your course is eligible after reviewing the lists below.

LSBU can only provide Federal Student Aid for full Bachelors, Masters, and Doctoral programmes (including integrated MPhil/PhD courses), studied entirely at London South Bank University.

The following programmes are not currently eligible for federal loan funding.

### Ineligible courses

- All non-degree level programmes such as Certificates of Higher Education, Foundation Years, Foundation Degrees/Associate Degrees, Graduate Certificates, and Graduate Diplomas.
- Programmes with any portion of the course studied in the United States including time for placements, research, and dissertations.
- Distance learning is ineligible for Direct Loan program funds at foreign schools.
- Study abroad programmes are ineligible for Direct Loan program funds, your home university must provide this.
- Programmes studied in part at another higher education institution that is not authorised to provide Federal Student Aid.
- Programmes studied at LSBU's Havering or Croydon campuses are ineligible for Direct Loan program funds.
- All LSBU Nursing and Medical Programmes.
- Programmes with placement/internships that exceed 25% of the course.

Please contact the [US Loans Team](#) to discuss your options with Private loans if you are ineligible for Direct Loans

## 1.2 Dependent or Independent Student Status

The amount and type of loan you are eligible to borrow will be determined by your dependency status which is determined from the information you provided on your FAFSA.

For purposes of Title IV aid, you are considered independent if you meet one or more of the following criteria:

- You are at least 24 years old by December 31<sup>st</sup> of the award year
- You are an orphan or ward/dependent of the court, or was a ward/dependent of the court until you reached age 18
- You are a veteran of the U.S. Armed Forces
- You are working on a master's or doctorate programme at the beginning of the award year for which the FAFSA is completed
- You are married as of the date the FAFSA is completed
- You have at least one child who receives more than half of his/her support from you
- You have a dependent, other than a spouse or a child, who lives with you and receives more than half of his/her support from you at the time the FAFSA is completed, and through June 30 of the award year
- You are currently serving on active duty in the U.S. Armed Forces for purposes other than training.

You are considered dependent if you do not meet any of the preceding criteria for an independent student.

## 1.3 Types of Loan and How Much You Can Borrow

The table below shows the types of loans London South Bank University is certified to approve.

Undergraduate	Graduate/professional
Federal Direct Subsidised Loan	n/a
Federal Direct Unsubsidised Loan	Federal Direct Unsubsidised Loan
Federal Direct Parent PLUS Loan (Dependent students only)	Federal Direct PLUS Loan
Sallie Mae Smart Option Student Loan	Sallie Mae Smart Option Student Loan

### 1.3.1 Stafford Loans

**Subsidised loans** are awarded to students based on financial need – the loan is subsidised because the US Government pays the interest while you are in University. It also pays the interest during any authorised period of deferment of the loan, and for the six-month grace period after you leave University. Need is calculated as COA–EFA-EFC. In most cases the majority of students will be eligible for the full subsidised amount.

**Unsubsidised** loans are not based on financial need and you are responsible for paying the interest from the time the money is disbursed. The interest may be paid as it becomes due, or it may be postponed and allowed to accumulate while you are in university, during any authorised period of deferment, and for the six-month grace period after you leave university. If you choose to postpone the interest payments, you won't make any payments while you are in university, but this option adds to the amount you will have to repay on your loan when you leave university.

### 1.3.2 Graduate PLUS

These loans are available to graduates only. Borrowers should first apply for the Stafford loan before applying for the Grad PLUS. The amount of Grad PLUS which can be borrowed can be up to the difference between the Stafford and the cost of attendance less any other financial aid. You may defer principle and interest payments on this loan whilst you are enrolled. There is no six month grace period after completion of the course. Please note that this loan requires a credit check on the graduate borrower.

### 1.3.3 Parent PLUS

Parents of dependent undergraduates can take out a Parent PLUS loan under their name to pay the entire cost of attendance less any additional financial aid. If a Stafford Loan has been taken, the maximum Parent PLUS can be the difference between the Stafford and the cost of attendance less any other financial aid. We will require students to complete a Free Application for Federal Student Aid regardless of whether you intend to borrow Stafford loans or not. Please note that this loan requires a credit check on the parent borrower.

### 1.3.4 Private loans

These are not part of the Federal Loan programme. The type of loan offered will depend on your credit rating, and a co-signer may be required. The maximum Private Loan can be the yearly cost

of attendance less any other financial aid (loans, scholarships etc.). Please see the [Private Loans](#) sections for more information.

## 1.4 Annual and Aggregate Loan Limits

LSBU will determine the type(s) of loan you are eligible to receive each academic year. There are annual limits on the amount of subsidised and unsubsidised loans you may borrow and limits on the total loan (aggregate limits) you may borrow. These limits will vary depending on your year of study and whether you are a dependent or independent student. The table below shows these limits.

Year	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)
<b>First-Year Undergraduate Annual Loan Limit</b>	\$5,500—No more than \$3,500 of this amount may be in subsidised loans.	\$9,500—No more than \$3,500 of this amount may be in subsidised loans.
<b>Second-Year Undergraduate Annual Loan Limit</b>	\$6,500 —No more than \$4,500 of this amount may be in subsidised loans.	\$10,500—No more than \$4,500 of this amount may be in subsidised loans.
<b>Third-Year and Beyond Undergraduate Annual Loan Limit</b>	\$7,500 —No more than \$5,500 of this amount may be in subsidised loans.	\$12,500—No more than \$5,500 of this amount may be in subsidised loans.
<b>Graduate or Professional Students Annual Loan Limit</b>	Not Applicable (all graduate and professional students are considered independent)	\$20,500 (unsubsidised only)
<b>Subsidised and Unsubsidised Aggregate Loan Limit</b>	\$31,000—No more than \$23,000 of this amount may be in subsidised loans.	\$57,500 for undergraduates—No more than \$23,000 of this amount may be in subsidised loans.  \$138,500 for graduate or professional students—No more than \$65,500 of this amount may be in subsidised loans. The graduate aggregate limit includes all federal loans received for undergraduate study.

## 1.5 Other Funding

### 1.5.1 Veterans Affairs (VA) Benefits

London South Bank University is **not** currently an eligible facility to Administer Post-9/11 GI Bill, Dependents' Educational Assistance Program (DEA) etc. (Except Vocational Rehabilitation and Employment program). We will be able to administer Federal Direct Loan or the Sallie Mae Smart Option Student Loan in place of this funding.

### 1.5.2 Grants and other student loans including Pell Grant, Perkins Loans etc.

Please be aware that as an overseas institution we cannot approve any grants or other loans except the Federal Direct Loan or the Sallie Mae Smart Option Student Loan.

### 1.5.3 Study Abroad

If you are a Study Abroad student, we are unable to originate Federal Direct Loans for you because you can receive financial aid from your home school in the US. You can only apply to LSBU for Private Loans to cover your Study Abroad period.

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## 2 Costs

### 2.3 Loan Maximum

The maximum you can receive in loans annually cannot exceed the yearly cost of attendance (COA) less any other financial aid you may be receiving e.g. scholarships. For 1st year undergraduate or graduate students the unconditional offer letter you receive details your course fees.

### 2.4 Cost of attendance worksheet

The Cost of Attendance (CoA) is the amount of money a student needs to pay their tuition fees, living expenses and course materials for an academic year. Most students will need a combination of loans (Subsidised, Unsubsidised, and PLUS or Private loans) to cover the full CoA.

The COA is based on pre-set averages which are set by the Financial Aid Administrator at LSBU, please contact The [US Loans Team](#) with any questions about your COA including calculation for additional needs and we can confirm eligible costs.

The [Cost of Attendance Spreadsheet](#) will give you an idea of the amount you can borrow from each type of loan resulting in an aggregate sum. The [US Loans Team](#) will determine how much funding you are eligible for in each academic year. The student or borrower can decide how much they wish to borrow within this limit.

It is important to remember that that Direct and Private Loans incur fees and interest and must be repaid so do not borrow more than you need.

### 2.5 Expected Family Contribution

The Expected Family Contribution (EFC) is based on the information you provide in the FAFSA about you or your family's income for the year prior to the year for which you are requesting the loan. This is the amount of funding that the U.S. Department of Education expects you and your family to contribute towards funding your studies. The EFC only affects the Direct Subsidised loan eligibility (undergraduates only).

### 2.6 Estimated Financial Assistance

The Estimated Financial Assistance (EFA) is any institutional funding you are expecting to receive to fund your studies. This includes scholarships, grants, and bursaries and any other federal funding. You are required to inform the [US Loan Team](#) about any institutional funding you have secured for your studies at LSBU.

### 2.7 Loan Entitlement

The following formulas are used to calculate loan entitlements:

Direct Subsidised Loan eligibility	=	CoA – (EFC + EFA)*
Direct Unsubsidised Loan eligibility	=	CoA – EFA (incl. Direct Subsidised Loan)*
Direct PLUS Loan eligibility	=	CoA – EFA (incl. Direct Subsidised and Unsubsidised)

\*Within maximum annual aggregate loan borrowing limits

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## 3 Apply

LSBU will start processing 2024/25 Direct Loan applications after 1<sup>st</sup> June 2024.

We will not know you wish to apply for Direct Loans until you submit all documents required in your application pack to the LSBU [US Loans Team](#). Details of the required documents are detailed in par.3.6.

### 3.1 How to apply

To apply for federal financial aid, you must first complete a Free Application for Federal Student Aid (FAFSA) online on the [Student Aid](#) website. You will need a PIN, and this can also be obtained on the FAFSA website.

You will need to apply using London South Bank University's school code: G33523 (or 03352300).

More information can be found at [Free Application for Federal Student Aid \(FAFSA\)](#)

### 3.2 What happens next?

You will receive your Student Aid Report (SAR) which lists the information you and your family have provided in your FAFSA and tells you what your Expected Family Contribution (EFC) is for the year you are applying. The EFC is used to determine eligibility for needs based financial aid. Please check your name, social security number, date of birth and all other information to make sure that it is accurate. **It is important that you check the comments section on your SAR, as there may be issues that you need to address, and any unresolved issues may delay the processing of your loan.** You must send a copy of your SAR to us in the [US Loans Team](#) at LSBU.

### 3.3 Master Promissory Note (MPN)

Students taking out a Direct Loan are required to sign a Master Promissory Note (MPN). If taking out both Stafford and PLUS Loans a separate MPN is required to be signed for each Direct Loan. The MPN is a legal document through which you promise to repay your Direct Loan. The MPN details the conditions of your loan and the terms under which you agree to pay it back. You will need to complete a new MPN for each academic year that you take out a Direct Loan. You can complete an MPN online at the [Studentaid.gov](#) website. You will need your FAFSA PIN.

### 3.4 Applying for a Direct PLUS Loan

If you are taking out a Direct PLUS Loan in addition to the Direct Stafford Loan you will need to complete a Direct PLUS Loan application which will also be found on the [Studentaid.gov](#) website. Please take a screen shot of the credit check and send it in with your other documents as we will require proof that the PLUS Loan has been approved.

### 3.5 Selective Service (For Male Students Only)

You must register for Selective Service before you become 26 years of age to be eligible for U.S Federal Aid (U.S Student Loans). If you did not become an eligible citizen until after 26 years, we will require evidence of this. If you are exempt from signing up with Selective Service, please supply evidence. If you are in default on any U.S Student Loan you will not be eligible for further US Federal Aid.

### 3.6 Your Final steps

You must send the following documentation to the [US Loans Team](#):

- Copy of your offer letter detailing your Tuition Fees
- Copy of your SAR
- Copy of your Direct Stafford (Subsidised and Unsubsidised) MPN
- Copy of Direct PLUS MPN and credit check (if taking out a Direct PLUS Loan)
- Completed Cost of Attendance Worksheet (See Cost of Attendance section)
- Copy of Entrance Counselling for all loan types (see Entrance and Exit Counselling section).

### 3.7 LSBU's confirmation to you

After we review your application for a Direct Loan, we will contact you by email confirming the loans available to you. **You will need to respond to this email confirming the loan amounts before your loan is requested from the U.S. Department of Education.**

We will then issue you with a digital **Notification of Student Loans** letter, which has been approved by **UK Visas and Immigration as proof of funding for visa purposes**. If required at all, only the original will be acceptable. The letter will detail the loan funds available to you and the disbursement dates.

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## 4 Entrance and Exit Counselling

It is a US legal requirement for all students who take out Direct Loans to undergo entrance and exit counselling. Whilst this may sound daunting, it is simply a process to make sure that you understand the responsibilities and the terms and conditions of your loan.

### 4.1 Entrance Counselling

If you are an undergraduate or graduate/professional student and have not previously received a Direct Subsidised Loan, Direct Unsubsidised Loan, or PLUS Loan you must complete Direct Loan Entrance Counselling before you can receive a Direct Loan. Students may complete Direct Loan Entrance Counselling electronically via the [Studentaid.gov](https://studentaid.gov) website. You must have a Federal Student Aid PIN to complete this. This is the same PIN used to complete the FAFSA. **After you complete entrance counselling you will need to send a copy of the counselling confirmation to the [US Loans Team](#).**

### 4.2 Exit Counselling

US regulations also stipulate that you must complete exit counselling by the time you finish your studies at LSBU. This has to be done before you graduate, drop below half-time attendance, or withdraw, regardless of whether you plan to transfer to another University or re-enrol at LSBU at a later date. The counselling session will help you understand your rights and responsibilities as a student loan borrower and provides useful tips and information to help you manage your loans.

Please complete exit counselling on the [Studentaid.gov](https://studentaid.gov) website.

You'll need your PIN - the same one you used for your FAFSA, and it will take you approximately 30 minutes. Please send us confirmation of this so that we can update your records to confirm that you have met the requirements of Exit Counselling.

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## 5 Payments

### 5.1 Disbursement dates

All Federal loans will be originated in USD \$ but the actual amount in GBP £ you receive will vary as it is dependent upon the exchange rate from USD \$ to GBP £ at the time of disbursement.

Direct Loans are released by the U.S. Department of Education electronically to LSBU. The funds then usually take 10 days to arrive at LSBU and be ready for payment to you.

Please be aware that the date of the first disbursement is dependent on you completing enrolment and providing us with your completed UK bank details form (found at the end of this document).

The expected disbursement dates for the 2024/25 academic year are outlined below. **These are the dates funds are expected to arrive in your LSBU account (not your own bank account) if you are fully enrolled on time.** Any overpayment due to you will be paid into your preferred bank account.

Undergraduates and Research students will receive disbursements in **two instalments** and 50% of tuition fees will be deducted from each.

Taught Postgraduate students on 12-month courses will receive disbursements in **three instalments** and 33.33% of tuition fees will be deducted from each.

September Intake	Undergraduates & Research Students	Taught Postgraduates
7th October 2024	✓	✓
10th February 2025	✓	✓
16th June 2025	X	✓

January Intake	Undergraduates & Research Students	Taught Postgraduates
10th February 2025	✓	✓
16th June 2025	X	✓
6th October 2025	✓	✓

April Intake	Research Students
29th April 2025	✓
6th October 2025	✓

In case Direct Loan funds from the US are delayed for any reason please make sure you have sufficient funds to tide you over for a couple of weeks at the beginning of each term.

**Please note; funds will not be requested from the U.S Department of Education until students have fully enrolled at LSBU (after face-to-face appointment).**

**They will then take around 10 days to arrive into our account and be processed. Therefore, it is important that you ensure you have enough money for the first few weeks in London.**

## 5.2 CAS Deposit

As Federal Aid is intended to cover Tuition Fee costs, all applicants with a certified loan from the US Loan Team at LSBU are exempt from paying the CAS deposit, we will advise the CAS Team of your certified loan and they will waive the deposit requirement.

## 5.3 How funds are disbursed

Once the fee instalment has been applied to your fees account, any excess funds (living expenses and accommodation) will be electronically paid to your bank account after approximately one week, assuming students have supplied bank details (for UK accounts: bank and account names, sort code, and account number or, for US accounts BIC and account numbers). Funds sent to US accounts will take longer before they are deposited than those to UK accounts. **We highly recommend using a UK bank account when possible to retain as much of the original amount as possible after currency conversion.**

You must return the completed [Bank Details form](#) to [LSBU](#) for us to transfer excess funds into your account. This form can be found on [LSBU's US Loan webpage](#) under important information.

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## 6 Maintaining Eligibility

To ensure you continue to receive your U.S. Loan disbursements for the duration of your course you must maintain eligibility. This section details what you must do to ensure this.

### 6.1 Your responsibilities

The US Department of Education requires that all students in receipt of US Federal Aid must:

- Be fully enrolled on your course of study (should your enrolment status change, disbursements may be stopped, and your loan entitlement recalculated).
- Complete Entrance and Exit Counselling.
- Meet satisfactory academic progress (SAP) each semester as detailed by the U.S. Department of Education and Federal Student Aid. SAP is a measure of whether you are progressing adequately toward completion of your course of study which means maintaining an overall grade of at least 40% for each module each semester.
- Be in regular attendance of your course.
- The maximum timeframe to complete your course may not to exceed 150% of the published length of an undergraduate programme. (Graduate programmes may exceed this).

### 6.2 Satisfactory Academic Progress (SAP)

In addition to maintaining an overall grade of 40% for Fees and Bursaries Office. If you are not in regular attendance and do not meet SAP each semester you may be withdrawn from your course and reported to U.S. Department of Education and Federal Student Aid. This is in addition to our [Academic and Tier 4 Visa Regulations](#).

Please find the full details of LSBU's SAP procedures in our [Satisfactory Academic Progress \(SAP\) Policy](#)

Students that fail to make Satisfactory Academic Progress will firstly be issued with a 'Financial Aid Warning'. This warning will last for 1 payment period (i.e. until the next disbursement), during which time a student can still receive Financial Aid. Students that fail to regain Satisfactory Academic Progress by the next disbursement will no longer be eligible for Aid, unless they are successful in an appeal (see below).

To appeal the financial aid suspension, a student must, within 14 calendar days of notification, submit to the Fees and Bursaries Office a signed and dated letter of appeal explaining why he or she shouldn't have Financial Aid suspended. A student may appeal due to an emergency condition (e.g., health, family, catastrophe, etc.) and state what has changed in their situation that will allow them to meet Satisfactory Progress at the next evaluation date. Documentation verifying the situation may be requested.

The appeal will be considered in discussion with, the Registry Office and will convey the decision to the student in writing within two weeks of the student's appeal.

**Please send your appeal to: The [US Loans Team](#) via [enquiriesusfinance@lsbu.ac.uk](mailto:enquiriesusfinance@lsbu.ac.uk)**

**All decisions made are final.**

## 7 Withdrawing and Return to Title IV Policy

### 7.1 Withdrawal

If you withdraw from your course or 'interrupt', then you must inform your School Administration Office, the International Office, and the [US Loans Team](#) and within 5 days of withdrawal from your course.

### 7.2 Returning funds

If you have taken federal loans and completed 60% or less of your studies, LSBU has to comply with US regulations and recalculate your Financial Aid eligibility using a 'Return of Title IV' form based on the period of the year you attended. Please see our [Return to Title IV \(R2T4\) procedure](#) for more information. As a result, you may be required to pay back money you have received. It may also be possible that the University will have to repay funds to your lender for tuition fees, and that you will be requested to make an additional fee payment to the school to replace these funds in accordance with the London South Bank University's [Tuition Fee Regulations](#).

**Pro-rata refund calculations apply for any student who withdraws within 60% of the payment period.**

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## 8 Private Loans

### 8.1 Sallie Mae

[Sallie Mae](#) is the only lender that will lend funds for private loans to US students studying outside the US. They are an organisation experienced in lending to and dealing with US students studying outside the US.

Please make sure that you have checked interest rates, compared terms and conditions and have thoroughly investigated the possibility of taking out federal loan(s) before applying for a private loan.

If a private loan is required, you will need to apply for one using LSBU's school code, **G33523**. The maximum that can be borrowed on a private loan is the yearly [cost of attendance](#) less any financial aid (loans, awards, bursaries, scholarships etc.).

### 8.2 What to do next

Please e-mail [The US loans Team](#) the details once you have successfully completed an application for a private loan, making sure that you provide a breakdown of your yearly cost of attendance and full details and amounts of any of the extras you require detailed on the '[Cost of Attendance](#)' page of this document. Include details and amounts of any additional financial aid you are receiving.

### 8.3 Self-certification

Please note that before we can certify and process a private loan you will also need to have completed and sent in a signed and dated 'Private Education Loan Applicant Self-Certification' form. An e-mailed scanned completed copy will be acceptable.

Once your private loan has been certified Sallie Mae will send you a letter of confirmation which if required for 'visa' purposes will be sufficient proof that you have a private loan.

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## 9 Contact Us

The Fees and US Loans Teams can be contacted through The Student Life Centre as part of the Fees and Bursaries Office. Please do not hesitate to contact this office if you have any further questions:

**US Loans**  
**Student Life Centre**  
**103 Borough Road**  
**London**

**SE1 0AA**  
**UK**

Telephone: +44 20 7815 8222

[US Loans](mailto:enquiriesusfinance@lsbu.ac.uk) (enquiriesusfinance@lsbu.ac.uk)

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### Student Bank Details Confirmation

I, \_\_\_\_\_ Student ID, \_\_\_\_\_ Request that LSBU pay any maintenance loan monies from the Title IV Federal Student Aid program into the following account:

Account number: \_\_\_\_\_  
Sort Code: \_\_\_\_\_  
Account Name: \_\_\_\_\_  
Bank Name: \_\_\_\_\_

Signed: \_\_\_\_\_  
Date: \_\_\_\_\_

Please remember to:

- Provide a UK bank account when possible
- Type all numbers digitally
- Update the US Loan Team of any changes to your bank details

**Complete and return to The US Loans Team via [enquiriesusfinance@lsbu.ac.uk](mailto:enquiriesusfinance@lsbu.ac.uk) or send in to The Student Life Centre, 103 Borough Road, London, SE1 0AA**