U.S. Citizens and Permanent Residents FinAid Instructions for the 2013-2014 Academic Year

**Step 1.** Review your term billing statement on Penn.Pay

- Penn.Pay is Penn’s electronic billing service through which you receive student account bills online. Penn.Pay also allows you to review daily activity and pay your bill online, securely and efficiently.

**Step 2.** Review the Wharton MBA Student Budget for the 2013-2014 Academic Year

- WG15 Wharton MBA First Year Student Budget (10 months)
- WG14 Wharton MBA Second Year Student Budget (9 months)

**Step 3.** Evaluate your financial aid status and determine which loan options (if needed) are best suited for the upcoming 2013-2014 academic year.

Please note a few items:

- If student loan funding is needed to cover the Fall 2013 term bill, please submit all loan applications as soon as possible.
- If you anticipate borrowing student loans in excess of mandatory tuition and fees, please register for Direct Deposit to insure the automatic processing of your Student Refund. For more detailed information, please visit the Student Financial Services (SFS) website at [http://www.sfs.upenn.edu/TotalPay/](http://www.sfs.upenn.edu/TotalPay/).
- If you miss a payment by the bill’s due date, you will be assessed a late payment penalty of 1.5% on your past due balance.

**Step 4.** Federal Direct and Grad Plus Loans vs. Private Alternative Loans

- Please visit the Student Financial Services (SFS) website for a comparison of the Federal Loan and Private Loan Programs before submitting a loan application: [http://www.sfs.upenn.edu/loans/lenders-comparison.htm](http://www.sfs.upenn.edu/loans/lenders-comparison.htm).
- You may borrow a private alternative loan rather than a Federal Direct and Grad PLUS loan if you wish. These lenders will perform a credit review. Review your credit report and credit score before applying for a private student loan: [www.annualcreditreport.com](http://www.annualcreditreport.com)
Federal Student Loan Application Process – Direct Loan

- Complete the online Free Application for Federal Student Aid (FAFSA) at www.fafsa.ed.gov.
- The Student Financial Services (SFS) Loan Office will automatically create the $20,500 ($33,000 Healthcare majors) Federal Direct Loan application for eligible students as determined from their FAFSA information and send notification by mail and to your Wharton email address.
  
  o **Continuing Borrowers**
  - No action is required for the Federal Direct Loan if you received funding in the 2012-2013 academic year.
  
  o **New Borrowers**
  - SFS Loan Office will send notification of the process for finalizing your Federal Direct Loan.
  - Direct Loan borrowers will be required to complete their Master Promissory Note and Entrance Loan Interviews online. The Department of Education website will be included in the SFS Loan Office notification.
- The Federal Direct Loan interest rate is fixed at 6.8% and includes a 1.051% origination fee as of July 1st, 2013. The origination fee will be deducted from the certified loan amount.
- If your 2013-2014 FAFSA application is selected for verification, Student Financial Services will notify you before the start of the Fall semester.
- Please visit Student Financial Services for an overview of the Direct Loan Program: http://www.sfs.upenn.edu/loans/grad-direct-loan.htm

Federal Student Loan Application Process – Perkins Loan

- Student Financial Services (SFS) will create a Federal Perkins Loan application for up to $5,000 for eligible students as determined from their FAFSA information.
  
  o **Continuing Borrowers**
  - No action is required for the Federal Perkins Loan if you received funding in the 2012-2013 academic year.
  - A Perkins Loan addendum will be sent to you in June, but it requires no action unless you choose to cancel that loan.
  
  o **New Borrowers**
  - A Perkins Loan Master Promissory Note will be mailed to you in June. The Perkins MPN and Personal Data Form should be completed and returned to SFS.
- The Federal Perkins Loan interest rate is fixed at 5% and offers a 9-month grace period after graduation.

Federal Student Loan Application Process – Direct Grad PLUS Loan

- Do not apply for a Direct PLUS Loan until you have filed the FAFSA Application.
- Apply through the Department of Education (www.studentloans.gov).
- Loan period 09/01/13 – 05/31/14.
- **Amount to Borrow:** The 2013-2014 MBA Student Budget minus any fellowships, scholarships, sponsorships, or personal payments.
The Federal Grad PLUS Loan interest rate is fixed at 7.9% and includes a 4.204% origination fee of July 1st, 2013.

The origination fee will be deducted from the certified Grad PLUS loan amount but borrowers have the option of increasing the loan application to include this fee.

**Private Student Loan Application Process**

- Review the Student Financial Services Alternative Loan Information and Product Lists: [http://www.sfs.upenn.edu/loans/alternative-lenders-graduate.htm](http://www.sfs.upenn.edu/loans/alternative-lenders-graduate.htm)
- Interest rates and fees on most private loans are tiered and based on your credit score and history.
- **Amount to Borrow:** The 2013-2014 MBA Student Budget minus any fellowships, scholarships, sponsorships, or personal payments.

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**Loan Processing Guidelines**

- The suggested deadlines are applicable if student loans are needed to cover the 2013-2014 academic expenses.
- The final deadline to submit a student loan application for the 2013-2014 academic year is March 1st, 2014.
- It generally takes 4-6 weeks for a loan application to be certified by the SFS Loan Office after receipt of your loan application from the lending agency.
- Federal and private loan funds will be disbursed in two equal installments for the academic year.
- Loan funds will be disbursed to your student account approximately 5 days before the start of each term (Pre-term in August for incoming students).
- If you would to cancel or make changes to your loan applications, please email the Wharton MBA Financial Aid Office at financialaid@wharton.upenn.edu.

If you miss a payment by the bill’s due date, you will be assessed a late payment penalty of 1.5% on your past due balance.

In addition, you may be placed on financial hold, which means you cannot register for future classes. You may also be placed on graduation hold, which will prevent you from receiving your diploma and/or transcripts.

If you have any questions regarding the financial aid process for next year, or any other financial aid related topics, please visit the [Wharton Financial Aid Appointment Scheduler](http://www.sfs.upenn.edu) today to schedule an appointment with a member of the team.

Best Regards,
The Wharton Financial Aid Team

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