

# LOAN FUNDS

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Bryn Mawr College administers two kinds of loan programs. The first consists of Federal Loan Funds and the second includes three funds established through the generosity of alumnae and friends of the College. Detailed information about Federal Loan Funds is available in the Financial Aid Office. A student must submit the Free Application for Federal Student Aid (FAFSA) to be considered for federal loans.

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## Federal Loans

*The Federal Stafford Student Loan Program* enables students who are enrolled at least half-time to borrow from eligible lenders at a low interest rate to help meet educational expenses. First-time borrowers are encouraged to secure loans through lenders that participate in the Pennsylvania Higher Education Assistance Agency (PHEAA) Keystone Best Program. A dependent undergraduate student may borrow from \$2,625 up to \$5,500 per year, depending on her year in college and her financial eligibility. Repayment begins six months after the student is no longer enrolled at least half-time at an accredited institution. The interest rate is variable but will not exceed 8.25 percent. The government will pay this interest until the repayment period begins, if the student meets financial eligibility requirements.

*The Perkins Loan Program* is administered by the College from allocated federal funds. Eligibility for a Perkins Loan is determined through a federal needs test. The 5 percent interest rate and repayment of the loan begin nine months after graduation, withdrawal from the College or dropping below half-time status. No interest accrues on the loan until repayment begins. Cancellation and deferment of loan payments are possible under certain circumstances, which are detailed in the loan promissory note.

Awards range from \$500 to \$4,000 per year and are based on financial eligibility.

## College Loans

*The Students Loan Fund of the Alumnae Association of Bryn Mawr College* was founded by the Class of 1890 to provide emergency funds for undergraduate and graduate students. No more than \$1,000 may be borrowed by a student in any one year; the total for four years must not exceed \$3,000. Students who wish loans may obtain the application from the Alumnae Association. All students are eligible for loans from this fund, whether or not they are already receiving financial aid from the College.

While the student is in college, no interest is charged, and she may reduce the principal of the loan if she so desires. After the student leaves Bryn Mawr, the interest rate is pegged to the prime rate. The entire principal must be repaid within five years of the time the student leaves the College at the rate of 20 percent each year. Principal payments can be deferred if the student enrolls in graduate or professional school, although interest payments must be made.

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*The Gerard and Mary Hill Swope Loan Fund* was established in 1945 under the following conditions:

- a. Loans are awarded by the Committee on Undergraduate Financial Aid.
- b. Repayment of the principal and interest (8 percent rate) begins one year after the student graduates (or withdraws) from the College.

*The Clareth Fund* was established in 1971 by a bequest to the College from the estate of Ethel S. Weil. The income is to be used only for students specializing in economics or business.