

Private (non-government) Loans

Eligibility

Where a Direct Loan is insufficient to cover all educational expenses or additional funding is otherwise required, students may consider private (non-government) loans. Students can obtain educational financing from private institutions, like banks. This form of financing is called "private loans."

Students may borrow up to the cost of attendance minus any other financial aid received. If a student wishes to seek this form of financing, the student should keep in mind:

- Private loans require credit checks
- A co-signer may be required who will be liable for loan repayment if the student defaults.
- Private loan interest rates, fees and repayment options differ from Direct Loan
- Private loans may have more limited repayment and loan consolidation options than Direct Loans and other government loans.

If a student needs a private loan, JUMC strongly recommends that such a student obtain independent financial advice and rigorously compare the terms offered by various private loan lenders. Students are not limited to applying for loans from any list of lenders that they might be provided by any third party.

For more information, please refer to <https://studentaid.ed.gov/types/loans>

Applying for a Private Loan

Students should apply in accordance with the loan provider's instructions. A student may apply online via the loan provider's website. The lender may contact JUMC to confirm cost and registration information.

Receiving a Private Loan

Students receive their private loan funds by check in two equal disbursements (usually in September and January for autumn and spring terms). JUMC notifies students of its receipt of such payments. [The student must endorse the check which is then credited to the student's fee obligation.]

JUMC Staff Prohibitions

JUMC staff is prohibited from:

- making revenue-sharing arrangements with any lender;
- receiving gifts from a lender, a guarantor, or a loan servicer;

- entering into arrangements providing financial benefit from any lender or affiliate of a lender;
- directing borrowers to particular lenders;
- refusing or delaying loan certifications;•
- offering funds for private loans.

For more information, see <http://www.don.uj.edu.pl/info/us-direct-loans>