Direct Loans in Financial Aid

Beginning with the 2010-2011 financial aid year, all University of Maine System schools will be using the Direct Lending Program for Stafford, PLUS, and Grad PLUS Loans. This change results from the inclusion of student loan legislation in the recently signed reconciliation fix to the health care reform bill.

Some UMS schools previously only offered loans through the Federal Family Education Loan Program (FFELP), where your lender was a private lending institution. Direct Loans are different in that the lender is the U.S. Department of Education rather than a private bank.

Students whose existing loans were offered through the FFELP program will need to sign a new electronic Master Promissory Note (eMPN) because your lender has changed to the Department of Education. You do not have to wait until your loan is processed to complete the eMPN; however, your Stafford Loan funds will not disburse until you have done so. You may sign a new eMPN online at [www.studentloans.gov](http://www.studentloans.gov).

If you have further questions about this change, or about the Direct Lending Program specifically, please contact the Financial Aid Office on your campus, linked below.