

# The Bar Study Loan

## Frequently asked questions for schools



### General

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#### What expenses does a Bar Study Loan cover?

- Bar review course fees
- Bar exam fees
- Living expenses while studying for the bar exam
- Other expenses not included in the school's cost of attendance

#### Who is eligible for the Bar Study Loan?

- Students pursuing or who have earned a Juris Doctor (JD) or Master of Laws (LLM) degree and are enrolled at least half-time in their final year of study at a participating ABA-accredited law school, or have graduated from one within the last 12 months.
- A student should be scheduled to sit for the bar exam no later than 12 months after graduation.
- U.S. citizens and U.S. permanent residents can apply with or without a cosigner.
- All others, including DACA students, must apply with a cosigner (who must be a U.S. citizen or permanent resident), reside in the U.S., and provide an unexpired government-issued photo ID to verify identity.

#### Are there any loan limits?

- Students can borrow from \$1,000 up to \$15,000.
- The maximum amount covers one or more loans in a 12-month period.

#### Is applying with a cosigner recommended?

While a cosigner is not required for U.S. citizens and permanent residents who qualify on their own, students can choose to apply with a creditworthy cosigner. A cosigner may increase a student's chance of approval. However, nearly half of students who applied for a Bar Study Loan last year without a cosigner were approved.<sup>1</sup>

#### What is the student death and disability feature?

Upon verification that the student is deceased or permanently and totally disabled, we will waive the current balance and all remaining payments on the loan, and any future disbursements will be canceled.

#### Can applicants change the loan amount?

- Loan amount changes can be requested by the student in the following circumstances:
- If changes are requested prior to disbursement, student and cosigner, if applicable, must re-sign the Application/Promissory Note.
  - If the request for an increase occurs after the first disbursement, the student may only obtain additional funds up to the original approved loan amount.
  - If the student needs more than the original approved amount after the first disbursement has been made, an additional application is required.

### Process

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#### How do students apply?

Students can apply online at [salliemae.com/barstudy](https://salliemae.com/barstudy). The easy online application and credit result only take about 10 minutes.

#### What must applicants do to obtain the loan?

- Satisfy credit requirements
- Execute an application, promissory note, and any other documents without alteration
- Meet other customer identification requirements set forth by Sallie Mae
- Meet the applicable age of majority and citizenship requirements

#### What if loan funds are returned?

- **Full return:** If loan funds are returned within 60 days of the first disbursement date, no interest or fees will accrue and the loan will be canceled. Funds can be returned more than 60 days after the first disbursement date, but the borrower and cosigner, if applicable, are responsible for paying all accrued interest and fees. If the borrower hasn't endorsed the disbursement paper check, however, the borrower and cosigner, if applicable, are not responsible for any accrued interest or fees.
- **Partial return:** A partial return of loan funds will be treated as a payment and can be made regardless of the number of days that have passed since disbursement. We will credit the return to the loan as a payment.

### What is the enrollment verification process?

The Bar Study Loan program requires enrollment verification from the school, even if the student has graduated. Enrollment verification may be obtained through one of the following two methods:

- The school provides an electronic verification by logging into OpenNet® at [opennet.salliemae.com](https://opennet.salliemae.com) and entering the student's enrollment status and graduation date.
- The school completes a paper enrollment verification form and uploads the document securely at [upload.salliemae.com](https://upload.salliemae.com).

### What is your disbursement policy?

First disbursement of loan proceeds may not occur earlier than the final year of study, and no later than 12 months following graduation. Funds will be disbursed directly to the student.

### How does a student apply for cosigner release?

- Students may apply to release their cosigner from the loan after they graduate, make 12 on-time principal and interest payments, and meet certain credit requirements.<sup>2</sup>
- Students should download the application from [salliemae.com/cosignerrelease](https://salliemae.com/cosignerrelease) or call Sallie Mae at **1-800-4-SALLIE (1-800-472-5543)** to initiate the request.
- Releasing the cosigner will not adversely impact the interest rate on the loan.

## Repayment

### What are the repayment options?

Repayment begins nine months after the student graduates, drops to less than half-time enrollment status or leaves school; however, there is no prepayment penalty.<sup>3</sup>

Borrowers can request to make lower, interest-only payments for the first two or four years of the repayment period. After that, they'll make principal and interest payments for the rest of the loan's repayment term.<sup>4</sup>

### How does interest accrue during school?

Interest is charged starting at disbursement, and continues while the student is in school, and during the nine-month grace period. Any interest that remains unpaid will be added to the loan's Current Principal at the end of the student's grace period. Variable rates may increase over the life of the loan.

### What ways are there to reduce or postpone payments?

- **Return to school:** Students who return to school after the expiration of the grace period may postpone payments while they are enrolled at least half-time. In-school deferment is limited to a total of 48 months and is granted in up to 12-month increments. Any interest that remains unpaid at the end of each deferment period will be added to the loan's Current Principal, which will increase the Total Loan Cost. Students who return to school at least half-time before completely using their grace period are considered to be continuously enrolled and there is no time limit.
- **Hardship forbearance:** Students and/or cosigners who are experiencing temporary financial hardship may ask to temporarily postpone payments through a hardship forbearance request, but may be required to make a good-faith payment for doing so. Any interest that remains unpaid at the end of the forbearance period will be added to the loan's Current Principal.

## To learn more

**Schools: 1-844-8-ASSIST (1-844-827-7478) | Students: 1-800-4-SALLIE (1-800-472-5543)**

Bar Study Loans are for students who are enrolled at least half-time in their final year of study at a participating ABA-accredited law school or have graduated from one within the last 12 months. Students should be sitting for the bar exam no later than 12 months after graduation. This loan is subject to credit approval, identity verification, signed loan documents, and enrollment verification. Student or cosigner must meet the age of majority in their state of residence. Students who are not U.S. citizens or U.S. permanent residents must reside in the U.S., graduate from, or attend school in the U.S., apply with a creditworthy cosigner (who must be a U.S. citizen or U.S. permanent resident), and provide an unexpired government-issued photo ID. Requested loan amount must be at least \$1,000.

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<sup>1</sup> Based on a rolling 12-month period from October 1, 2022 through September 30, 2023.

<sup>2</sup> Only the borrower may apply for cosigner release. To do so, they must first meet the age of majority in their state and provide proof of graduation (or completion of certification program), income, and U.S. citizenship or permanent residency (if their status has changed since they applied). In the last 12 months, the borrower can't have been past due on any loans serviced by Sallie Mae for 30 or more days or enrolled in any hardship forbearances or modified repayment programs. In addition, the borrower must have paid ahead or made 12 on-time principal and interest payments on each loan requested for release. The loan can't be past due when the cosigner release application is processed. The borrower must also demonstrate the ability to assume full responsibility of the loan(s) individually and pass a credit review when the cosigner release application is processed that demonstrates a satisfactory credit history including but not limited to no: bankruptcy, foreclosure, student loan(s) in default or 90-day delinquencies in the last 24 months. Requirements are subject to change.

<sup>3</sup> Although we do not charge a penalty or fee if you prepay your loan, any prepayment will be applied as outlined in your promissory note—first to Unpaid Fees and costs, then to Unpaid Interest, and then to Current Principal.

<sup>4</sup> Requests must be received in writing. Interest Only payments will not extend the loan term, but they will increase the Total Loan Cost. Plus, monthly payments following the Interest Only ones will be higher than they would have been otherwise.

Bar Study Loans are intended to cover expenses not included in your school's cost of attendance.

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