MARS HILL UNIVERSITY is pleased to offer you the financial assistance shown on the enclosed award letter. Awards funded by Federal or state governments may be reduced or revoked if funding is reduced by Congress, or if allocations to MHU are reduced. Enclosed is your Mars Hill University financial aid award letter; should you decide to forgo your student loans or parent loan or work study, contact your personal Financial Aid Counselor.

Please read this document carefully and retain it for future reference. If you have any questions, contact us at the number or address listed above.

STUDENT AID ELIGIBILITY
“The Student Guide” published by the U.S. Department of Education contains complete information on student eligibility for the federal financial aid programs. Access this information at www.ed.gov. This document highlights many of the student eligibility criteria, but it is not exhaustive.

TERMS OF AWARD
The financial aid listed on the enclosed award letter is based on a) your student expense budget, b) your Expected Family Contribution (EFC) based on the Free Application for Federal Student Aid (FAFSA), and c) your financial need. The student expense budget is also known as Cost of Attendance and estimates the total costs you incur as a full-time student for the nine-month academic year. These costs include living expenses in addition to educational expenses. Funds will be disbursed to your account in the amounts shown on your award letter with the possible exceptions: Subsidized and Unsubsidized Stafford Loans and the Parent Federal PLUS Loan. The U.S. Department of Education may deduct up to 4.00% in fees from the amounts shown on the award letter. The amount on the award is the actual amount you will be eligible to borrow. The U.S. Department of Education will determine loan eligibility for federal student and parent loans. The U.S. Department of Education will send you a disclosure statement that indicates the actual amount being disbursed and the date of disbursal.

If Work-Study is part of your award offer, please be aware that the amount is a maximum earning level or the maximum you will be paid for employment in this program.

ENROLLMENT REQUIREMENTS
To receive funds from any federal aid program (except the Federal Pell Grant), you must be enrolled for at least six hours per semester. Students who are Pell eligible may receive Pell funds for less than six hours. Some types of assistance, such as scholarships, institutional grants, and state grants, require that you be enrolled in at least 12 hours each semester. All federal aid programs require that recipients be candidates for degrees offered by the University. Your award is based on the assumption that you will be enrolled as a full-time student. You cannot receive federal aid at two separate schools during the same term. Any amount received at another school will have to be repaid.

LOANS
Eligibility for the Subsidized Stafford Loan is determined by the FAFSA. The federal government pays the interest on this loan while the student is enrolled at least half-time per semester. If the student receives the Unsubsidized Stafford Loan, the student is responsible for the interest accrued while enrolled. Students can choose to postpone interest payments on an unsubsidized loan until repayment. The deferred interest is capitalized (added to the principal) when repayment begins. Once you have accepted your Stafford Loan as part of your financial aid package, the Financial Aid Office will certify your loan. Your loan will not be certified until you have completed Entrance Counseling at studentloans.gov. You must then complete a Master Promissory Note (MPN) at studentloans.gov. Repayment begins six months after the student graduates, withdraws, or drops below half-time.

Parents of dependent students can apply for the Parent PLUS Loan. Repayment begins within 60 days after the last disbursal for the loan period.

Maximum Annual Stafford Loan Amount

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Year 1</td>
<td>$9,500 (including combination of $5,500 Subsidized and/or Unsubsidized Stafford Loans and additional $4,000 Unsubsidized if eligible)</td>
</tr>
<tr>
<td>Year 2</td>
<td>$10,500 (including combination of $6,500 Subsidized and/or Unsubsidized Stafford Loans and additional $4,000 Unsubsidized if eligible)</td>
</tr>
<tr>
<td>Years 3, 4, 5</td>
<td>$12,500 (including combination of $7,500 Subsidized and/or Unsubsidized Stafford Loans and additional $5,000 Unsubsidized if eligible)</td>
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</tbody>
</table>
VERIFICATION

Based on the information provided on your FAFSA, you may have been selected for verification. Please review the items listed in the “Missing Documents” section of your Award Letter. Any items listed, such as parent and/or student IRS Tax Transcripts, W2’s, verification sheet(s), etc. must be submitted to the Mars Hill University Financial Aid Office. The Federal Government selects over one-third of all financial aid applicants for verification. Your student aid cannot be processed until all required documents are received.

PAYMENT OF AID

All financial aid is awarded on a yearly basis; however, payment (or disbursement) of aid occurs twice each year: one disbursement in the fall, and one disbursement in the spring.

RESIDENCY

If a student chooses to move off campus, the financial aid package will be affected. Please contact the Financial Aid Office to discuss changes in your financial aid package.

REAPPLICATION

All financial aid recipients must complete a renewal FAFSA form each spring prior to the academic year to reapply for aid; awards do not necessarily carry over from one academic year to the next.

CANCELLATION

The Financial Aid Office reserves the right to cancel or modify your award package because of changes in your financial or academic status. Submitting false information will result in the immediate cancellation of financial aid.

CONDITION OF AWARD

Federal, State, and Institutional Grants committed in your Award Letter are conditional upon receipt of actual funds.

REFUNDS AND REPAYMENTS

Tuition and fee refunds are calculated according to the appropriate university refund policy based on federal regulations should a student withdraw during an academic period. This policy is printed in the Student Handbook and MHU Catalog.

Refunds to students will occur only when all funds have been received and posted as payment to a student’s Business Office account and has created a credit balance. Students must request refunds from the Business Office. The Business Office determines the student’s eligibility for a refund and the date the refund will be made.

WITHDRAWALS

Financial aid funds are awarded with the expectation that students will complete the entire period of enrollment. Students earn a percentage of the funds that are disbursed with each day of class attendance. Federal regulations require Mars Hill University to calculate the percentage and amount of unearned financial aid funds that must be returned. Once a student has completed more than 60% of the enrollment period, he/she is considered to have earned all funding received. This calculation may result in requiring the student who withdraws before completing more than 60% of the enrollment period to repay funds that have already been disbursed to the student or credited to his/her account for tuition, fees, room, and board. Students are encouraged to meet with the Financial Aid Counselor prior to making the decision to withdraw.

SATISFACTORY ACADEMIC PROGRESS

All students who receive federal, state, and institutional funds at Mars Hill University are expected to maintain satisfactory academic progress toward the completion of their programs of study in a reasonable period of time. Students not meeting these standards are not eligible for federal state, or institutional aid. To remain in good academic standing, a student must have maintained at the end of any semester the following cumulative grade point average and earn the minimum hours listed:

<table>
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<tr>
<th>Minimum GPA Requirement</th>
<th>Minimum Required Earned Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman (fewer than 20 hours earned)</td>
<td>1.50</td>
</tr>
<tr>
<td>Sophomores (28-59 hours earned)</td>
<td>1.80</td>
</tr>
<tr>
<td>Juniors &amp; Above (60+ hours earned)</td>
<td>2.00</td>
</tr>
</tbody>
</table>

BOOK VOUCHERS

Book vouchers to be used in the campus book store are available to those students, who have financial aid that exceeds charges, no outstanding balance, and no stops on their accounts. Students with available book vouchers can utilize the voucher at the campus book store.