

## 2011-12 Federal Direct PLUS (Parent) Loan Information Sheet

The Direct PLUS (Parent) Loan is available to parents of dependent students who are attending at least half-time (6 units). The interest rate on the PLUS Loan is 7.9%.

### How do I apply for a PLUS loan?

- ✓ Each year, your student must file a Free Application for Federal Student Aid (FAFSA).
- ✓ Your student will be sent an award offer, which will include the maximum PLUS Loan that you may borrow. This amount is the student cost of attendance (determined by the Financial Aid Office) less all other aid awarded.
- ✓ Complete the 2011-12 Direct PLUS Loan Application. **A new application must be completed every year.**
- ✓ Please include your email address on the application if you would like to receive correspondence via email.

### What happens next?

- After receiving your completed Direct PLUS Loan Application, your information will be forwarded electronically to the Direct Loan Processor for approval.
- Borrowers are subject to a credit check by the U.S. Department of Education to determine credit-worthiness. **The credit check determines if the borrower has an adverse credit history. Adverse history could include being 90 days or more past due in the repayment of a debt, having been in default or foreclosure on a loan, or having had a bankruptcy discharge or write-off of a federal education debt during the last five years.**
- A free copy of your credit report is available at [www.annualcreditreport.com](http://www.annualcreditreport.com).
- Once approved, if you need to complete a master promissory note the Financial Aid Office will send you a letter directing you to the appropriate web site. Generally, the MPN only has to be completed once during your student's undergraduate program.

### How will the PLUS Loan be disbursed?

Academic year PLUS Loans are disbursed to your student's account in two equal installments, usually at the beginning of each semester. Summer PLUS Loans require an additional Direct PLUS Loan Application.

### When does interest begin to accrue?

Interest begins to accrue 30 days after the first disbursement. The Direct Loan Servicer will send you quarterly interest statements. After your first disbursement is made, your loan will be assigned to a servicer. Your servicer's contact information will always be available to you through the National Student Loan Data System web site, Access. The servicer of your loan will send you quarterly interest statements.

### When do I have to start repaying my PLUS Loan?

The first payment of principal and interest on a PLUS Loan is due sixty days after the loan has been fully disbursed. This means that if you apply for an academic year loan for 2011-12, the loan will be fully disbursed after the Spring installment, and your first payment will be due March 2012 or later. **Delayed Repayment Option: If requested, repayment can be delayed until six months after your student drops below half-time or graduates. You must request this by contacting your Loan Servicer.**

### What are my options if I do not qualify for or cannot afford a PLUS Loan?

If your loan is denied due to adverse credit, you will have the opportunity to contact the Direct Loan Servicing Center to pursue a co-signer or endorser for the loan. If you decline this option, your student may pursue additional Unsubsidized Direct Loan funding. If your loan is approved on credit but you are unable to afford the minimum monthly payment of \$50, your student may pursue additional Unsubsidized Direct Loan funding if the parent portion of your student's Expected Family Contribution (EFC, calculated by the federal FAFSA processor) is zero. In either case, your student must contact our office to request the additional funding. The student's eligibility is limited by grade level (\$4,000 max for freshman/sophomore; \$5,000 max for junior/senior.)

### When will I find out if I qualify for the PLUS Loan?

Loan processing will begin around July 1, 2011. *The SSU Financial Aid Office will not know if your loan has been approved until AFTER your loan has been submitted electronically to the Direct Loan Processor beginning July 1 and after.*

# 2011 – 12 DIRECT PLUS LOAN APPLICATION

**Instructions:** Provide both student and parent information. Return signed application to the Financial Aid Office for processing: Sonoma State University, 1801 E. Cotati Avenue, Rohnert Park, CA 94928-3609 Fax (707) 664-4242 **Note: This form must be completed each academic year you wish to apply for the PLUS Loan.**

## Student Information

Last Name (Print) \_\_\_\_\_ First \_\_\_\_\_ ID \_\_\_\_\_ Date \_\_\_\_\_

## Parent Information (Please provide complete information for one parent only)

Loan Amount Requested:  Maximum allowed or \$ \_\_\_\_\_

Specify amount

Loan Period Requested:  Academic Year 2011-12  Fall 2011 only  Spring 2012 only  Summer 2012 only

Parent's Social Security #: \_\_\_\_\_ Parent's Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_

Name of Parent/Borrower: \_\_\_\_\_  
Last First MI

Relationship to Student:  Mother  Father  Other (please specify) \_\_\_\_\_

Citizenship Status:  U.S. Citizen or National

Permanent Resident or other eligible non-citizen (Alien Registration#) \_\_\_\_\_

None of the Above

Driver's License#/State: \_\_\_\_\_/\_\_\_\_\_

License #

State

Are you an SSU employee?  No  Yes

Are you (the parent) currently in default on an educational loan or do you owe a refund on a federal student grant?

No  Yes

Parent's Permanent Home Address: \_\_\_\_\_

City

State

Zip

Parent's Telephone Number: Home \_\_\_\_\_ Work \_\_\_\_\_

Cellular \_\_\_\_\_

Parent's email address: \_\_\_\_\_ (optional)

Please add the [finaid@sonoma.edu](mailto:finaid@sonoma.edu) address as a known sender so that our email does not go into your SPAM or Junk Mail folder.

I authorize the Secretary of the U.S. Department of Education to investigate my credit record and report information concerning my credit to the proper persons or organizations.

Parent Signature \_\_\_\_\_

Date \_\_\_\_\_

SSU FAO, 1801 E. Cotati Avenue, Rohnert Park, CA. 94928-3609

Processed by: \_\_\_\_\_

For Office Use Only

Date: \_\_\_\_\_