

2011 Summer Federal Direct Parent PLUS Loan Request Form

_____ 991-_____
Student Last Name First Name MI Student ID Number

- This form is required at ISU for a parent to borrow from the Federal Direct PLUS Loan. Please complete and submit this form to the Office of Student Financial Aid. Student must complete the 2010-2011 FAFSA at www.fafsa.gov.
- The borrower is required to complete a Parent PLUS Master Promissory Note (MPN) at www.StudentLoans.gov unless the borrower has previously completed the MPN.
- The student must also complete the Summer Aid Request Form at www.indstate.edu/finaid.
- Please read and complete this form carefully as errors or omissions will delay your receipt of funds.

COMPLETE PARENT BORROWER INFORMATION

_____ - _____
Parent Last Name First Name MI Social Security Number

_____ - _____
Permanent Street Address Home Telephone Number

_____ - _____
City State Zip Parent's Date of Birth (mm/dd/yy)

Check the Parent Citizenship Status:

- U.S. Citizen
- Eligible Noncitizen (Attach a copy front and back of I-151, I-551, or I-94 card)

ENTER LOAN INFORMATION

We will process a Federal Direct PLUS loan based on the student's summer eligibility.

- **Check only one loan period:** Summer I and Summer II Summer I Summer II
- **Enter the Requested Loan Amount** (enter whole dollars) \$ _____
Do not write "maximum" or "max", same, previous, or leave blank.

To adjust your loan amount after submitting this form you must complete the Summer Loan Change Form.

PLUS BORROWER CERTIFICATION

My signature serves as my consent to the U.S. Department of Education and its agents to obtain a credit report and use that information to determine my eligibility for a Federal Direct Parent Loan for Undergraduate Students. I understand that I will be notified in writing by the U.S. Department of Education of the results.

I understand that Indiana State University will apply Federal Direct PLUS Loan funds to my student's allowable university charges, and that any excess funds will be refunded to the parent borrower.

_____ Date
Parent Signature (required)

How to Apply for a Federal Direct Parent PLUS Loan

1. File the 2010-2011 Free Application for Federal Student Aid (FAFSA)

You can file the FAFSA at www.fafsa.gov. All requested documents will need to be submitted to the Office of Student Financial Aid.

2. Complete the Federal Direct Parent PLUS Loan Application

The Federal Direct Parent Plus Loan Request Form must be completed and signed by the parent (borrower) in whose name the loan application will be made.

3. Complete the Parent PLUS Master Promissory Note (MPN)

Complete the on-line Master Promissory Note (MPN) for Parent PLUS Loans at www.StudentLoans.gov.

Eligibility

Student must:

- Be fully admitted and seeking a degree through ISU.
- Be enrolled at least half – time (6 credit hours) when the loan is processed and disbursed.
- Be either a U.S. Citizen or eligible non-citizen (as defined by federal regulations).
- Not be in default on an educational loan or owe an overpayment on a federal education grant, or other federal debt, or you have made satisfactory arrangements to repay that debt.
- Maintain Satisfactory Academic Progress.
- Complete the Summer Aid Request Form.

Parent Borrower Requirement:

- Must be a natural or adoptive parent of the student or a step-parent whose income is reported on the student's completed FAFSA application.
- Must be either a U.S. Citizen or eligible non-citizen (as defined by federal regulations).
- Must not be in default on an educational loan or owe an overpayment on a federal education grant, or other federal debt, or you have made satisfactory arrangements to repay that debt.

How Much Can You Borrow?

A parent may borrow the student's cost of attendance minus any financial aid (e.g., grants, scholarships, work-study, federal student loans) the student is already receiving for the school year.

What Are The Interest Rates and Fees?

The Interest Rate is fixed at 7.9%.

Loan fee is 4% with front end 1.5% rebate. If parent fails to make 12 consecutive loan payments on time, loan fee will revert to 4%.

Repayment Information

A payment begins 60 days after the loan is **fully disbursed**. A deferment is available if the student remains enrolled at least half-time, but interest continues to accrue.

Approval/Denial Notification

You will receive notification directly from the U.S Department of Education on your approval/denial.

If you are denied a PLUS Loan you have the following options:

- Parent may be approved with an endorser (co-signer).
- Student may apply for an Unsubsidized Direct Loan based on student's eligibility. They will need to submit a Federal Direct Unsubsidized Loan Request Form (Due to PLUS Denial) along with proof of PLUS denial.

Funds disbursed to your student's account

If your loan application is approved **and** the Master Promissory Note (MPN) is completed, or on file, loan funds are sent directly to Indiana State University from the U. S. Department of Education and credited directly to your student's account.

Funds will first cover any allowable charges on the student's account. Any excess funds will be refunded to the parent borrower in the form of a check.