

## 2019-2020 REQUEST FOR A PARENT LOAN

INSTRUCTIONS: A parent of a dependent student may be given the option to apply for a Federal Direct Parent (PLUS) Loan. To apply the parent must complete the application at [www.studentloans.gov](http://www.studentloans.gov) or by providing the required information below and submitting this form for processing. Be sure to answer each question and print carefully, incomplete and unreadable forms will be returned.

Save Time & Receive an IMMEDIATE Credit Decision at:

# studentloans.gov

1. Student Name: \_\_\_\_\_ 2. ID#: \_\_\_\_\_
3. My relationship to the student is:  father  mother  other \_\_\_\_\_
4. I wish to apply for the Academic Period:  Fall 2019 & Spring 2020  Fall 2019 only  Spring 2020 only
5. I would like to apply for a Federal Direct Parent Loan in the amount of \$ \_\_\_\_\_.  
( amount requested )

### PARENT BORROWER INFORMATION: (Please print)

6. Parent's Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_
7. Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ MI: \_\_\_\_\_
8. Street Address: \_\_\_\_\_
9. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ - \_\_\_\_\_
10. Date of Birth: \_\_\_\_/\_\_\_\_/19\_\_\_\_ 11. Phone Number: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
(month) (day) (year)
12. Citizenship Status:  U.S. Citizen  Resident Alien, Alien # A \_\_\_\_\_
13. Driver's License No: \_\_\_\_\_ State: \_\_\_\_\_
14. Email address: \_\_\_\_\_@\_\_\_\_\_
15. Are you (the parent) in default on a federal student loan?  NO  YES  
*Default means that you borrowed a federal student or parent loan and did not make payments so you were placed in default.*

16. If the Federal Direct Parent Loan results in a refund, I want the refund issued to\*:  Parent OR  Student  
*\* If neither is designated, refunds will go to the parent.*
17. FEDERAL AID DISBURSEMENT AUTHORIZATIONS: (Check all that you wish to authorize. Options may be changed at any time by providing written notice to the Student Service Center). **NOTE: Option A is required for any student who selects Roo Express or Medical Insurance. Otherwise a cash payment is required.**
- A. I authorize the DPLUS, if available, to pay non-institutional charges incurred by the student.  
(e.g. Roo Express Account, telephone, parking fines, library fines, medical insurance).
- B. I authorize the DPLUS to be applied to pay any balance owed from a prior semester.
- C. I wish SUNY Canton to hold any excess DPLUS funds for a future semester enrollment.

18. \_\_\_\_\_  
Parent Signature

\_\_\_\_\_  
Date

## Q & A - Federal Direct Parent PLUS Loan

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### **What is a Federal Direct PLUS Loan?**

This is one of the low-interest loans that make up the William D. Ford Federal Direct Loan Program (also known as “Direct Loans”). This Direct Loan Program enables parents to borrow directly from the U.S. Department of Education to pay for their child’s education. The Department of Education is the lender and delivers loan proceeds through the student’s school. Repayment is made to your assigned Federal Direct Loan Servicer and not the school.

### **How will I know if I am eligible?**

Generally, you are eligible if:

- You don’t have an adverse credit history (a credit check will be performed on your application).
- You are not in default on a federal student loan (including a parent or student loan).
- You meet the other eligibility requirements outlined on your loan application.

You can receive an immediate credit decision by completing the online application at [www.studentloans.gov](http://www.studentloans.gov) .

### **How much can I borrow?**

You may borrow any amount up to the cost of your child’s education minus any other financial aid he or she may receive. Note: An origination fee of 4.248 percent of the loan principal will be deducted proportionately from each loan disbursement. (To calculate the fee multiply the amount you plan to borrow by .04248 and round down to the nearest dollar).

### **What is the interest rate?**

The interest rate is 7.60% as of July 1, 2018 and is a fixed interest rate for the life of the loan. Interest begins to accrue the day after the first loan disbursement. Interest rates are determined annually by the government by July 1 each year.

### **How will the loan be disbursed?**

The loan will be disbursed in two equal disbursements. It will generally be credited toward the student’s account for payment of tuition and other school charges. Any leftover funds will be paid by check to the parent unless they indicate on the loan application to send any refund to the student.

### **When do I begin repayment?**

The repayment period begins on the day after the loan is fully disbursed. Your first payment is due within 60 days after the final disbursement. Options for deferment of payment until the student is out of school may be available.

### **What are the repayment terms of the loan (how long will it take)?**

You will be given options to different repayment plans. It is up to you to choose which one best fits your financial situation. The repayment plans are:

- Standard Repayment Plan: requires fixed monthly payments (minimum of \$50) over a fixed period of time up to 10 years. The length of the repayment period depends on how much you have borrowed. This plan typically results in the lowest amount of total interest paid.
- Extended Repayment Plan: allows loan repayment to be extended over a period from generally 12 to 30 years, depending on the total amount borrowed. You still pay a fixed amount each month, but the monthly payments are usually less than the standard repayment plan.
- Graduated Repayment Plan: allows payment amount to start out low and increase every two years. Your monthly payments must be at least half of what you would pay under the standard plan. As in the extended plan, the repayment period will vary from 12 to 30 years, depending on the total amount borrowed. Monthly payments may be more manageable because they are lower, but you will pay more in interest because the repayment term is longer.

### **Who is my Direct Loan Servicer?**

Your loan will be assigned to one of the Direct Loan Servicers after the loan has been disbursed. You will receive a welcome packet from your servicer with instructions on how to view your account online and instructions on where and how to make payments. Your total loan debt can be viewed online at [www.nsls.ed.gov](http://www.nsls.ed.gov) .