



2011-12 Federal Direct Parent PLUS Loan Application

Parent Borrower:

If your dependent student's Award Notification included a Parent PLUS Loan offer and you wish to borrow this loan, you must complete this application. Print clearly and complete all items. Please also read the important instructions and information on the reverse of this form.

Student Rocket Number _____

Student Last Name _____

Student First Name _____

PLEASE NOTE: For the purposes of the Parent PLUS Loan program, parent refers to the dependent student's biological mother or father, custodial stepparent (if information was reported on the Free Application for Federal Student Aid - FAFSA), or adoptive parent.

Parent Name _____

Parent SSN _____

Parent Date of Birth _____ / _____ / _____

Relationship to Student _____

Parent Address _____

City _____

State _____ Zip Code _____

Driver License # _____

State of Issuance _____

Daytime Phone # () _____

Home Phone # () _____

Are you a U.S. citizen? _____ Yes _____ No If "No," please attach a copy of your resident alien card.

Are you currently in default on a federal student loan or parent loan, or do you owe a refund on a federal student grant?
_____ Yes _____ No

PLEASE NOTE: The requested amount cannot exceed the total amount offered on the Award Notification.

Total Parent PLUS Loan amount requested: \$ _____

The amount indicated above will be divided equally for the semesters identified below (circle all that apply).

Summer 2011

Fall 2011

Spring 2012

Additional comments or instructions: _____

Parent borrowers should complete the Parent PLUS Loan Master Promissory Note (MPN) on-line at: <http://www.studentloans.gov>. A federal Personal Identification Number (PIN) is required to complete this process electronically.

I certify that the information provided on this form is complete and correct to the best of my knowledge. I understand that the Department of Education will use the information provided to conduct a credit check.

Parent Borrower's Signature _____ Date _____

**Return this form to: Office of Student Financial Aid
Mail Stop 314
The University of Toledo
Toledo, OH 43606-3390**

Fax: 419.530.5835

Federal Direct Parent PLUS Loan Application Instructions and Information

The Parent PLUS Loan is a loan for the biological mother or father, custodial stepparent (if information was reported on the FAFSA), or adoptive parent of a dependent undergraduate student. A parent can borrow the total estimated cost of attendance less the student's total financial aid. If more than one parent wishes to borrow a Parent PLUS Loan for the same student, each parent must complete a separate 2011-12 Federal Direct Parent PLUS Loan Application and Master Promissory Note (MPN).

Three Simple Steps to Process a Parent PLUS Loan

Step 1: File a 2011-2012 FAFSA

If you have not already done so, you can apply on-line at www.fafsa.gov. The 2011-12 Federal Direct Parent PLUS Loan Application cannot be processed without a completed FAFSA on file.

Step 2: Complete and return a 2011-12 Federal Direct Parent PLUS Loan Application

Complete and return this form to the Office of Student Financial Aid (OSFA). Be sure to print clearly and answer all of the questions. An incomplete application could delay processing.

Step 3: Complete a Master Promissory Note (MPN)

Parent borrowers may complete the Parent PLUS Loan MPN on-line at: <http://www.studentloans.gov>.

A federal Personal Identification Number (PIN) is required to complete this process electronically. If the parent applying for the loan does not have a federal PIN, they can apply for one at: <http://www.pin.ed.gov>.

Interest Rate

The Parent PLUS Loan interest rate is fixed at 7.9%. Interest begins to accrue at the time of each loan disbursement.

Loan Fee

There is a 2.5% origination fee (4.0% minus a 1.5% rebate) charged by the U.S. Department of Education for processing the Parent PLUS Loan. The loan fee is deducted proportionately from each disbursement of the loan.

Credit Check

In order to borrow a Parent PLUS Loan, you must pass a credit check. After we receive the signed loan application, the Common Origination and Disbursement Center (COD) will perform a credit check and notify you of the results by mail. The OSFA will receive an electronic notification of the credit check results. If you have questions about the outcome of the credit check, contact the COD at 1.800.557.7394.

Denied Credit Check

If you do not pass the credit check, there are three options available to you.

1. Contact the COD at 1.800.557.7394 if you believe there was an error made on the credit check.
2. You can obtain a creditworthy endorser. The endorser would need to pass the credit check, agree to endorse the MPN, and agree to repay the loan if you would fail to do so. Information about how to proceed with this option will be included in your letter from the COD.
3. The student can decline the Parent PLUS Loan (only if the parent did not pass the credit check) and request that the OSFA process a Direct Unsubsidized Stafford Loan in the student's name. Freshmen and sophomores (0-59 earned credit hours) can borrow up to \$4000 and juniors and seniors (60 or more credit hours) can borrow up to \$5000 for the school year. The student may request this loan by contacting the OSFA by phone or by completing a 2011-12 Loan Change Form. For more information on the Direct Unsubsidized Stafford Loan, visit our website at www.utoledo.edu/financialaid/.

Disbursements

A positive credit check and completed MPN must be received before any funds can be disbursed to the student's account. Loan disbursements are applied to charges on the student's account before a loan in the student's name is applied. Any refunds resulting from the Parent PLUS Loan will be mailed to the parent address listed on the 2011-12 Federal Direct Parent PLUS Loan Application.

Repayments

The repayment period for a Parent PLUS Loan begins when the loan is fully disbursed; the first payment is due 60 days after the final disbursement. However, for Parent PLUS Loans with a first disbursement date on or after July 1, 2008, you may defer repayment:

- while the student on whose behalf you borrowed the loan is enrolled at least half-time, and
- for an additional six months after the student ceases to be enrolled at least half-time.

Once you enter repayment, you may choose a Standard, Extended, or Graduated Repayment Plan. Information about these specific payment plans will be sent to you by the Direct Loan Servicer. If you are experiencing difficulty making your scheduled payments, you should contact Borrower Services at the Direct Loan Servicing Center at 1.800.848.0979.

Student Eligibility

Before any Parent PLUS Loan proceeds can be disbursed, the student must be:

- Enrolled at least half-time (6 credit hours)
- Enrolled in a degree-seeking program
- Maintaining satisfactory academic progress