

Indiana Tech

Federal Direct Parent PLUS

Loan Application 2012-2013

RETURN THIS FORM TO:

Office of Scholarships & Financial Aid
1600 E. Washington Blvd.
Fort Wayne, IN 46803
Fax: 260-422-1578
Email: financialaid@indianatech.edu

First-time Direct Loan Parent PLUS borrowers must complete a Master Promissory Note (MPN) at www.studentloans.gov.

The Federal Direct Parent PLUS loan is available only to parents of dependent undergraduate students who meet the credit requirements set forth by the lender of the loan which is the US Department of Education.

SECTION 1: STUDENT INFORMATION

Student ID: _____ Student Name: _____
Last First MI

Student Phone: (_____) _____ - _____ Student Email Address: _____ @ _____

If my parent does not meet the credit requirements, please award me the additional unsubsidized loan eligibility. I understand this loan will be in my name. Maximum additional loan amounts per year: Freshmen & Sophomores - \$4,000 / Juniors & Seniors - \$5,000.

SECTION 2: BORROWER (PARENT) INFORMATION – Provide only one parent's information.

Social Security Number: _____ - _____ - _____ Date of Birth: ____/____/____
Month Day Year

Name: _____ Driver's License: _____
Last First MI State Number

Permanent Address: _____
Street City St Zip

Permanent Home Phone: (_____) _____ - _____ Email Address _____ @ _____

Citizenship Status: U.S. citizen
 Permanent resident / other eligible non-citizen Registration # A- _____

Relationship to Student: Mother Stepmother Father Stepfather

SECTION 3: LOAN INFORMATION

Select ONE 2012-13 Academic year - August to May - *the loan amount will be divided equally between the fall & spring terms.*

Loan Period: Fall term only - August to December
 Spring term only - January to May
 Summer session only - May to August

Requested Amount: Maximum eligibility* - OR - \$ _____ (whole dollars only)

**Maximum eligibility = student's cost of attendance minus other aid received. A 2.5% loan processing fee will be deducted from each disbursement of the Parent PLUS Loan before funds are sent to the school. For students not completing a FAFSA or if the parent applying for this loan is not listed on the FAFSA, you must verify the student's and parent's eligibility for a Federal Parent PLUS loan by completing & returning Page 2 with the application.*

SECTION 4: SIGNATURES

By signing below, I certify that all information provided on this form is correct and that the parent completing this form consents to a credit check by the US Department of Education to determine final eligibility for this loan. I also understand that any funds will first apply to the student's university account to pay tuition and most fees, including housing. If any funds remain after these charges have been paid, a refund will be sent to the parent borrower to be used for additional educational expenses of the student.

Student Signature: _____ Date: _____

Borrower Signature: _____ Date: _____

2012-13 Federal Parent PLUS Loan Information Sheet

To apply for the Parent PLUS loan, the parent borrower must complete the attached application.

What is the Federal Parent PLUS loan?

The Federal Parent PLUS loan enables a parent or stepparent to borrow to pay the educational expenses of a child who is a dependent undergraduate student enrolled at least half-time. Applicants are encouraged to borrow the minimum amount needed to cover actual costs. Eligibility is determined by subtracting the student's total financial aid and resources from the cost of attendance.

Who may borrow a Parent PLUS loan?

To borrow a PLUS loan for a student, the parent must be the student's biological or adoptive mother or father. Both parents may get a PLUS loan as long as the total aid package does not exceed the student's cost of attendance. A stepparent is also eligible to borrow a PLUS loan if his/her income and assets were reported on the FAFSA. A legal guardian is not considered a parent for financial aid purposes.

What if I don't pass the credit check?

If you don't pass the credit check, you will be notified in writing by the Federal Loan Servicing Center, and they will indicate that you have the following options:

- Appeal: If you think there may be an error in how the credit worthiness was determined.
- Endorsement: You may obtain someone else to endorse the loan. This person would be responsible to repay the loan if you are unable to make the payments.
- Federal Unsubsidized Loan: Your undergraduate student can request additional loan funds (maximum \$4,000 for freshmen and sophomores, \$5,000 for juniors and seniors). The additional loan is available to your student only if the PLUS loan is denied due to an adverse credit check.

How will the loan be paid to my student's account?

The loan will be divided equally between the semesters that the loan covers. If the loan is for one semester only, it will be applied during the semester the student is in attendance.

Can I postpone payments?

Yes, if your student is enrolled at least half-time at an eligible school, payments may be postponed. You must apply for an In-School Deferment from the Loan Servicing Center. To apply for a deferment, contact Loan Servicing at 800-848-0979.



I have completed the loan application. What's next?

Now that you have returned your completed application to Financial Aid, you must complete your Direct PLUS Master Promissory Note (MPN) online at <https://studentloans.gov>. The MPN is required of all first-time borrowers, unless otherwise notified. If you do not complete the MPN, the application process is not complete and your aid will not disburse.

Who receives the Federal Parent PLUS Loan funds?

Indiana Tech will receive the funds and apply them (and any other financial aid your student is receiving) to the charges on your student's account (usually tuition, room and board, fees, etc). If there are any excess funds on your account after all charges have been paid, a refund will be sent to the parent who applied for the loan via paper check. If a parent chooses to, the refund can be processed through the student's Higher One refund account. A signed statement from the parent must be on file with the Business Office to give Indiana Tech permission to give any excess funds from the Parent PLUS Loan to the student.

Repayment Information

After you have accepted the PLUS loan, a Disclosure Statement will be sent to you by the Department of Education indicating the amount you are borrowing, the loan period and the loan fees for the 2012-13 academic year. Repayment of principal and interest begins 60 days after the final loan disbursement for the academic year (usually occurring after the start of the spring semester). Interest begins to accumulate at the time the first disbursement is made.

The interest rate for Parent PLUS loans for 2012-13 is 7.9 percent fixed, plus a 4 percent origination fee.

For more information about interest rates, repayment plan options, and monthly payment estimators, visit the Department of Education website at:

www.ed.gov/offices/OSFAP/DirectLoan/calc.html

Or contact Direct Loan Servicing at 1-800-848-0979.

Questions?

Please contact the Indiana Tech Financial Aid Office by telephone at 1-800-937-2448, ext 2334 or by email at financialaid@indianatech.edu