2012-2013 Federal Direct PLUS Loan Request Form

University of North Alabama
Office of Student Financial Services
UNA Box 5014
Florence, AL 35632
256-765-4278
256-765-4920 (FAX)

Student's First Name Last Name ID Number Date of Birth

This form is required at UNA for a parent to borrow from the Federal Direct Parent PLUS Loan Program. Return pages 1 and 2 to Student Financial Services via fax, mail, or hand delivery. Students must also complete the 2012-2013 Free Application for Federal Student Aid (FAFSA)

A. COMPLETE PARENT BORROWER INFORMATION

Parent First Name MI Last Name Social Security Number

Permanent Street Address

City State Zip Parent’s Date of Birth (mm/dd/yyyy)

Borrower email address:

Relationship to student: _____Mother/Stepmother _____Father/Stepfather

Parent Borrower Citizenship Status: _____U. S. Citizen or _____ Eligible Noncitizen (Attach a copy of both front and back of I-151, I-551, or I-94 card)
B. LOAN AMOUNT AND LOAN PERIOD

Requested Loan Amount $______________________  **Do not write “Max” or “Maximum” for the loan amount**

If you later wish to reduce the amount of your loan, you must contact our office. To request an increase in your loan amount, you must submit another Parent PLUS Loan Request Form.

Choose the academic period for which you are requesting Parent PLUS Loan(s):

- Fall 2012
- Spring 2013
- Fall 2012 and Spring 2013

C. PLUS DENIAL DUE TO ADVERSE CREDIT

PLUS Denial Due to Adverse Credit

If your Federal Direct PLUS Application is denied by the U.S. Department of Education due to adverse credit, your student may be eligible for an additional unsubsidized Stafford Loan (yearly aggregate limits apply). Please indicate how you would like to proceed in the event that your application is denied, due to credit: (Choose One)

- I will either appeal the credit decision directly with Direct Loans or obtain a creditworthy endorser/cosigner
- I do not wish to appeal or obtain an endorser. Please award the additional unsubsidized Stafford Loan, if my student is eligible.

D. TREATMENT OF EXCESS FUNDS

I understand that the disbursement of the Direct PLUS loan to my student's billing account may result in an overpayment of tuition, fees, and other university charges. I authorize the excess funds to be refunded to my student. If I do not agree, a check will be mailed to me at the address provided on my application. If my check is mailed and I do not receive it, I must inform the Office of Student Accounts that my check is lost in the mail. It is their policy not to reissue checks until thirty days after the initial mailing date. If I am requesting a check and my address changes, I understand that I must notify the UNA Office of Student Accounts and Direct Loans of the address change.

- I agree to have the excess funds refunded to my student.
- I do not agree to have the excess funds refunded to my student. I would like a paper check to be mailed to me.

E. 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 the University of North Alabama will apply the Federal Direct PLUS funds to my student’s allowable university charges and that any excess funds will be returned in the manner indicated in Section D above.

Parent’s Signature  Date
Eligibility

Student Requirements:
- Be fully admitted as a degree seeking student at UNA
- Be enrolled at least half-time (6 credit hours) when the loan is expected to be disbursed.
- Must be either a U.S. Citizen or eligible non-citizen (as defined by federal financial aid 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

Parent Borrower Requirements:
- Must be a natural or adoptive parent of the student or a stepparent whose income is reported on the student’s completed FAFSA application. The spouse of a parent who has remarried (i.e., the student’s stepparent) is also eligible to borrow a PLUS loan on the student’s behalf if his/her income and assets would be taken into account when calculating the dependent student’s EFC. A legal guardian is not considered a parent for any FSA purposes.
- 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. If you request more than your eligibility, the loan will be automatically reduced to the maximum amount eligible. The maximum amount is determined by the cost of attendance minus financial assistance awarded to the student. If the student’s award package changes after the PLUS is awarded, the PLUS loan and/or loans in the student’s name may be reduced to adjust the student’s total award package back to the eligible amount.

What If My Request is Denied Due to Adverse Credit?

If your Federal Direct PLUS Application is denied by the U.S. Department of Education due to adverse credit, you may appeal the credit decision directly with Direct Loans or obtain a creditworthy endorser/cosigner. If you choose not to appeal or obtain an endorser/cosigner, your student may be eligible for an additional unsubsidized Stafford Loan.

What Are The Interest Rates and Fees?

The interest rate for Federal Direct PLUS loans is fixed at 7.9%.
Loan fee is 4%.

Repayment Information

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.

How to Apply for a Federal Direct Parent PLUS Loan

1. File the 2012-2013 Free Application for Federal Student Aid (FAFSA)
   You can file the FAFSA at [www.fafsa.gov](http://www.fafsa.gov). All requested documents will need to be submitted to the Office of Student Financial Services.
2. Complete the Federal Direct Parent PLUS Loan Request
   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. Please mail or fax the form to the Office of Student Financial Services.
3. **Complete the Parent PLUS Master Promissory Note (MPN)**
   Complete the online Master Promissory Note (MPN) for Parent PLUS Loans at [www.studentloans.gov](http://www.studentloans.gov). Please note that if you previously borrowed from a FFELP Lender/Bank, your old MPN will no longer be valid. You will need a new MPN with Direct Loans.

4. **Receive Approval/Denial**
   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 new Federal Direct Stafford Loan Request Form along with proof of PLUS denial.

**Customer Service contact for Federal Direct Lending**

Direct Loan Program Customer Service phone number: (800)-848-0979 or online at [www.myedaccount.com](http://www.myedaccount.com)

**Privacy Act Disclosure Notice**

The Privacy Act of 1974 (5 U.S.C.552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is §451 et seq. of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Direct PLUS Loan. The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called “Title IV Program Files” (originally published on April 12, 1994, Federal Register, Vol. 59 p. 17351) and “National Student Loan Data System” (originally published on December 20, 1994, Federal Register, Vol. 59 p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosures is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request. Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4) provides that, in order to receive any grant, loan, or work assistance under Title IV or the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.