



Financial Aid Office • 650 W. Easterday Ave • Sault Ste. Marie, Michigan 49783
906-635-2678 • Fax: 906-635-6669

2010-11 Federal Parent PLUS Loan Application

Student Name: _____ ID: A _____

This form must be received in our office at least two weeks prior to student's last date of enrollment for the semester. Please read the Federal Parent PLUS information (on reverse) prior to applying.

To apply for this loan, the parent borrower must complete items 1-4.

1) PARENT information - complete the information for the one **PARENT** who will be the "Borrower"

NOTE: a student's parent (biological or adoptive mother or father) or stepparent (if income and assets were reported on the FAFSA) may borrow up to the estimated cost of attendance, minus other aid/resources.

Relationship to Student: Father Mother Stepfather Stepmother

Social Security Number (Format: 9 digits only): _____

Last Name: _____ First Name: _____ Middle Initial: _____

Address: _____

City: _____ State: _____ Zip or Postal Code: _____

Date of Birth: _____ Phone: _____

U.S. Citizen? Yes? No? If no, indicate Alien Registration number: _____

2) Indicate the **amount** you would like to borrow. To calculate eligibility, subtract total financial aid and resources from the estimated cost of attendance. More information is on the back of this form.

Maximum amount eligible **OR** I would like to borrow \$ _____
(as indicated on Offer of Award)

3) Indicate the **semesters** for which you are applying. Your loan will pay in equal disbursements.

Fall 2010 Spring 2011 Summer 2011

4) Refund Option: If there is a credit as a result of the PLUS loan being applied to the semester bill, I would like LSSU to refund the balance to: Student Parent (will be sent to **borrower** indicated above.)

I authorize the Secretary of the U.S. Department of Education and its agents to investigate my credit record and report information concerning my credit to the proper persons and organizations.

E-mail Address: _____ Daytime Phone #: _____

PARENT Signature: _____ Date: _____

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 www.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.

Return this form

in person or mail to:
Lake Superior State University
Financial Aid Office
650 West Easterday Avenue
Sault Ste. Marie, MI 49783-1699

or by fax to 906-635-6669

2010-11 Federal Parent PLUS Loan Information Sheet

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 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.

Who receives the Federal Parent PLUS Loan funds?

Lake Superior State University 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, fees, room and board). If any funds remain after your student's bill is paid, a refund will be sent to the parent or the student (depending upon the refund option selected by you on the PLUS loan application and the order in which the aid is paid to your student's account). This refund is processed by the LSSU Business Office. Students may receive a refund via direct deposit if they have signed up for it. Parents receive a paper check in the mail.

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 2010-11. Repayment of principal interest begins 60 days after the final loan disbursement for the academic year. Interest begins to accumulate at the time the first disbursement is made.

The interest rate for Parent PLUS loans for 2010-11 is 7.9 percent fixed, plus a 4 percent origination fee, minus a 1.5 percent rebate.

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 by telephone: (800) 848-0979.

For more information about interest rates, repayment plan options, and monthly payment estimators, visit the Department of Education Web site at: www.direct.ed.gov. Or contact Direct Loan Servicing by telephone: (800) 848-0979.

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C.552A and 20 U.S.C. 1232g) 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 and updated on August 14, 2008 through Public Law 110-315). 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 disclosure 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, for 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 enquiry 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 of 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 date may be recorded accurately and is required for federal loan processing. Forms containing SSNs should be delivered in person, mailed through the U.S. Postal Service or faxed to LSSU at 906-635-6669 only.