2018-2019 Federal Parent PLUS Loan Application

Please complete form in blue or black ink. Incomplete forms will not be accepted.

IMPORTANT: If you (the parent) have access to the internet, we recommend that you apply for the PLUS loan on-line at www.studentloans.gov. **Sign in under your own FSA ID, not your student's**. If you do not have an FSA ID, you may create one at this site. Upon sign-in, select **"Apply for a PLUS Loan"** from the available options and follow the instructions. A Master Promissory Note can be completed at this site as well, if you have not already completed one for this student. To find more information on the PLUS Loan program, select Federal Student Loan Overview under the Tools and Resources drop-down menu at the top.
DO NOT complete the on-line application AND this paper application. **Choose only one.**

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) or stepparent (if income information was reported on the FAFSA) may borrow up to the cost of attendance, minus other aid/resources.

Relationship to Student: ☐ Parent 1 ☐ Parent 2 ☐ Stepparent 1 ☐ Stepparent 2

Borrower's Social Security Number (Format: 9 digits only): __ __ __-__ __-__ __ __ __

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

Address: _____

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

Date of Birth (MMDDYYYY): _____ Phone: __(_____)_____

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

Are you (the parent borrower) currently in default on any educational loans?: ☐ **Yes** ☐ **No**

E-mail Address:_____ Daytime Phone #:_____

2) Indicate the **semester(s)** for which you are applying. Your loan will pay in equal disbursements.
☐ **Academic Year 2018/19** ☐ **Fall 2018 Only** ☐ **Spring 2019 Only** ☐ **Summer 2019 Only**

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

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

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.

PARENT Borrower's Signature (***Required***):_____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) on-line 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 this loan will not disburse.

Return this form:

PLUSA -A6

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

2018-2019 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 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 take out 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 information was reported on the FAFSA. A legal guardian is not considered a parent for financial aid purposes, and therefore can not borrow a PLUS loan.

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 Department of Education, and they will indicate that you have the following options:

- Appeal*: If you can document extenuating circumstances related to the adverse credit information.
- Endorsement*: You may obtain someone else who does not have an adverse credit history 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.

*PLUS Counseling must be completed at www.studentloans.gov before a PLUS loan can be received by applicants who qualify by obtaining an endorser who does not have an adverse credit history, or who document to the satisfaction of the Department that there are extenuating circumstances related to the adverse credit information.

Who receives the Federal Parent PLUS Loan funds? How will the loan be paid to my student's account?
The loan will be divided equally between the semesters that the loan covers. 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 2018-2019. Repayment of principal & interest begins after the final loan disbursement for the academic year. Interest begins to accumulate at the time the first disbursement is made.

Interest rates are established by the Federal Government each year for loans first disbursed between July 1 and June 30. The current interest rate for Parent PLUS loans for 2017-18 is a fixed rate of 6.31%. A 4.276% origination fee is currently charged to loans first disbursed on October 1, 2017 and before October 1, 2018. Origination fees are also subject to change on a yearly basis in October, as determined by the Federal Government.

Can I postpone payments?
Yes, payments may be postponed while your student is enrolled at least half-time and for an additional six months after your student ceases to be enrolled at least half time. Please contact your loan servicer to request a deferment.

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.

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.