

## Federal Direct Parent Loan for Undergraduate Students (PLUS) Loan Application Summer 2010 & Academic Year 2010-2011

### Eligibility:

- You must be the biological or adoptive parent (or, in some cases, the stepparent) of the student.
- Your student must be a dependent student who is enrolled at least half-time (1.5 units) at Birmingham-Southern College. Generally, your student is considered dependent if he or she is under 24 years of age, has no dependents, and is not married, a veteran, a graduate or professional-degree student, or a ward of the court.
- In addition, you and your student must be U.S. citizens or eligible non-citizens, must not be in default on any federal education loans or owe an overpayment on a federal education grant, and must meet other general eligibility requirements for the Federal Student Aid programs.
- The student must meet Birmingham-Southern College's Satisfactory Academic Progress Standard as defined in the Undergraduate Catalog.

### Application Process:

- Submit this application to the Financial Aid Office at Birmingham-Southern College.
- Parent must sign the application.
- Incomplete applications will be returned.
- If you are applying for other aid, we must first process your other financial aid awards before we can determine your PLUS Loan eligibility.

### Credit Worthiness:

To be eligible for the Federal Direct PLUS Loan, the applicant cannot have adverse credit, which can include: (1) 90 days or more delinquency on the repayment of any debt; or (2) the subject of a default determination, bankruptcy discharge, foreclosure, repossession, tax lien, wage garnishment or write-off of a Title IV debt during the last five years.

### Credit Check:

- The Department of Education performs a credit check and notifies our office with a loan approval or denial. Birmingham-Southern College will not see any information contained in your credit report.
- Any previous credit decision (approval or denial) has no bearing on the credit decision made this year.
- If you request a loan for more than one loan period, your credit record may be accessed more than one time.

### Interest Rates:

Federal Direct PLUS Loans have a fixed interest rate of 7.9%, which begins to accrue at the date of disbursement. A 4% origination fee is charged at disbursement. There is also an upfront 1.5% origination fee rebate that is retained by the borrower if the first 12 monthly payments are made on time.

### Approved Loans:

- An approval letter will be sent to the borrower from the Federal Direct Loans office.
- If you have not already completed the Federal Direct PLUS Master Promissory Note (MPN) for this student, you must do so at [www.studentloans.gov](http://www.studentloans.gov).
- The parent borrower's signature on this application allows BSC to credit and release excess funds to the student's account.

### Annual Loan Limit:

A parent borrower may borrow a maximum of the cost of attendance minus all other aid.

### Repayment:

Repayment of the Federal Direct PLUS Loan begins within 60 days after the final loan disbursement, unless the parent borrower is eligible for a deferment. For information about repayment terms/rates, deferments, and other terms of the PLUS Loan, contact Borrower Services, Direct Loan Servicing Center at 1.800.848.0979, or at [www.studentloans.gov](http://www.studentloans.gov).

### Denied Loans:

If denied, you will be notified by Direct Loans. By contacting Direct Loan Application Services directly at 1.800.557.7394, you may: (1) dispute your credit report; (2) clear up "adverse" items; and/or (3) obtain paperwork for an eligible endorser.

### Rights:

The information on this application 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 parties that The U.S. Department of Education authorizes to assist them in administering the Federal Student Aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other Federal agencies.

## Federal Direct Parent Loan for Undergraduate Students (PLUS) Loan Application

### Summer 2010 & Academic Year 2010-2011

Student's Last Name	First Name	M.I.	BSCID
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**Completion of this form does not guarantee a PLUS Loan.** This form is to be completed only by parents of dependent students. Please read all information contained on this form before signing. If the borrower has not already done so, the Master Promissory Note must be completed at [www.studentloans.gov](http://www.studentloans.gov), by selecting "PLUS Request Process".

**Parent borrower information:**

Only biological parents, adoptive parents and stepparents who are U.S. citizens or resident aliens are eligible to borrow.

Borrower's Last Name \_\_\_\_\_ First Name \_\_\_\_\_ M.I. \_\_\_\_\_

Social Security Number \_\_\_\_\_ Parent Date of Birth \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Relationship to Student     Biological Parent     Adoptive Parent     Stepparent

Permanent Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Telephone \_\_\_\_\_ Parent's e-mail address (optional) \_\_\_\_\_

Are you a U.S. Citizen?     Yes     No, but I am an eligible non-citizen    Resident Alien Number A \_\_\_\_\_

**Loan Request Information — To be completed by parent borrower:**

Select the terms for which you would like to apply and the amount of loan funds you would like to request. (CHOOSE ALL THAT APPLY.)

- |  |  |    |  |
|--|--|----|--|
| <input type="checkbox"/> Summer 2010             | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Fall 2010 & Spring 2011 | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Fall Only 2010          | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Spring Only 2011        | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |

**NOTE: Loan amount is subject to Cost of Attendance limitations.**

**PLUS denial Due to Adverse Credit Decision — To be completed by parent borrower:**

If the Federal Direct PLUS Loan is denied by the Department of Education due to an adverse credit decision, (CHOOSE ONE)

- I will either appeal the credit decision directly with the Department of Education or obtain a credit-worthy endorser.
- I do not plan to either appeal or apply with an endorser.

**Student Information — To be completed by the student:**

Are you a U.S. Citizen?     Yes     No, but I am an eligible non-citizen    Resident Alien Number A \_\_\_\_\_

**Free Application for Federal Student Aid (FAFSA) (CHOOSE ONE)**

- I have completed, or will complete, the 2010-2011 FAFSA. Process the PLUS Loan after my FAFSA results are received.
- I am NOT applying for other federal financial aid by completing the FAFSA, and waive my right to receive other federal aid in 2010-2011. Process the PLUS Loan application immediately. (Note: you will not be able to receive additional Stafford in case of PLUS denial.)

**PLUS Denial Due to Adverse Credit Decision**

If your parent is denied for the PLUS Loan AND will not appeal the denial or obtain an endorser, AND you have completed the FAFSA, the student is eligible for an additional Stafford Loan (subject to Cost of Attendance limitations). Do you want the additional loan?     Yes     No

(Continued on next page.)

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**Summer 2010 & Academic Year 2010-2011**

**Parent's Signature & Authorizations — To be completed by the parent borrower:**

**Authorization to Perform Credit Check**

By my signature below, I, the parent borrower, consent to allow the U.S. Department of Education and its agents to obtain a report of my credit record and use the information from that report in determining whether to award a Federal Direct PLUS Loan to me. I understand that I will be notified in writing of the credit check results by the Federal Direct Loans office with respect to my loan application. I understand that if I applied for multiple loan periods, my credit record may be investigated more than one time.

**Authorization to Credit Student Account & Release Excess Funds**

By my signature below, I, the parent borrower, certify that I will use any funds I receive from this application solely for expenses related to the aforementioned student's attendance at Birmingham-Southern College. By my signature, I authorize any Federal Direct PLUS Loan funds to be credited to the student's account and any excess funds to be issued to the student. Unless cancelled, this authorization remains in effect for future disbursements as long as the student is enrolled at Birmingham-Southern College.

**Repayment Responsibilities**

By my signature below, I, the parent borrower, certify I understand that the PLUS Loan will be in my name and I will be responsible for repayment. Repayment will begin 60 days after the full amount borrowed for a school year has been disbursed, unless I have requested, and been granted, a deferment by the Federal Direct Loans office.

\_\_\_\_\_  
Parent Borrower's Signature

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

MAIL COMPLETED APPLICATION TO:  
BSC Financial Aid Office  
Box 549016  
900 Arkadelphia Road  
Birmingham, AL 35254  
Phone 205.226.4688  
Fax 205.226.3082  
Web <http://www.gotobsc.com/fa/index.htm>