



FEDERAL DIRECT PARENT PLUS LOAN 2012 – 2013 LOAN REQUEST AND CREDIT AUTHORIZATION

NOTE: First time Hamline Direct Loan borrowers or borrowers requiring an endorser must complete a new Master Promissory Note (MPN) at www.studentloans.gov.

The information that you supply on this application will be electronically transmitted to the U.S. Department of Education, its servicers and/or agents. Your credit history will be reviewed to determine your eligibility. Use ink and please print clearly. IF YOU LEAVE A SECTION BLANK, THIS FORM CANNOT BE PROCESSED.

STUDENT INFORMATION

Name _____ Social Security Number _____ Date of Birth (Month/Day/Year) _____

BORROWER (PARENT) INFORMATION *To be completed by parent.*

Social Security Number _____ Name (Last) _____ (First) _____ (MI) _____

Street Address _____

City _____ State _____ Zip _____

Date of Birth (Month/Day/Year) _____ Telephone Number _____

Citizenship Status: United States Citizen Eligible Non-Citizen (Alien Registration # _____)

Driver's License Number _____ State Issued _____

Email _____

Are you, the parent, in default on a federal education loan? (See page 2 for details.) No Yes

LOAN AMOUNT REQUESTED FOR 2012-2013 \$ _____ *

* Is this loan for summer only? Yes No

Your PLUS Loan amount will be divided equally by the number of terms for which your PLUS Loan was awarded, unless indicated otherwise on your online financial aid award letter. Effective March 1, 2013, there is a 4.204% loan fee taken off each disbursement and a 7.9% fixed interest rate.

REFUND OF OVERPAYMENT CAUSED BY PLUS LOAN

Please indicate to whom you would like a refund issued if an overpayment of your son's/daughter's account occurs after disbursements of your 2012/2013 PLUS Loan are made to the account.

Parent (mailed to address above) Student (direct deposited or held at Cashier's Office)

DENIED CREDIT RESPONSE

Please indicate your next step if this PLUS Loan application is denied. (See page 2 for details.)

Appeal Decision Add Endorser Decline PLUS Loan, Request Extra Stafford Loan

AUTHORIZATION FOR CREDIT CHECK/CONSENT TO OBTAIN CREDIT REPORT

I consent to having the U.S. Department of Education and its agents review my credit report and use the information from that report in determining whether to award a Federal Direct Parent PLUS Loan to me. I understand that I will be notified in writing of the results of the credit check. I also attest that I have read and agree to all of the information included with this form, including the Privacy Act Disclosure Notice.

Parent Signature _____ Date _____

MAIL, EMAIL OR FAX COMPLETED FORM TO: Hamline University Office of Financial Aid, MS-C1915, 1536 Hewitt Avenue, St. Paul, MN 55104-1284 P: 651.523.3000 F: 651.523.2585 Email: finaid@hamline.edu

Frequently Asked Questions

Who can apply for a Parent PLUS Loan?

Only a biological or adoptive parent, or a step-parent whose tax information was included on the student's FAFSA is eligible to apply for a Parent PLUS Loan.

How should I answer the question regarding a defaulted federal education loan?

In order for a parent to be eligible for a Federal Direct Parent PLUS Loan, you, the parent, must not be in default on any federal education loans. If you are unsure if you are currently in default on a federal education loan, please review your current federal loan status on the National Student Loan Data System, or www.nslds.ed.gov. If you have not borrowed any federal education loans, please check 'No.'

What if my credit is denied?

If your application is denied, you will receive notification from Direct Loans. You may choose from the following options:

1. **APPEAL DECISION:** You may try to have a credit status override completed by the servicer. Please contact Direct Loans at 1-800-557-7394 or Equifax (their credit bureau) at 1-800-685-5000. You may provide documentation to Direct Loans if you have extenuating circumstances. Your request for a PLUS loan will be reviewed again by the servicer.
2. **ADD ENDORSER:** You may have a third party endorser co-sign the PLUS loan application with you. Any PLUS loans with an endorser added will require a new and separate MPN be completed by the borrower.
3. **DECLINE LOAN:** You may choose not to pursue either of the options listed above, and your student may request additional Unsubsidized Stafford Loan eligibility. The amount of the extra Stafford Loan may not equal the original PLUS Loan. This gap will be replaced with Alternative Loan eligibility.

When will the PLUS Loan disburse?

In accordance with federal loan regulations and Hamline's disbursement schedule, the loan will be applied to your student's account at the beginning of each semester once all requirements are met. If enrolled in both fall and spring semesters, one-half of the loan will be disbursed at the beginning of the fall semester and the remaining half will be disbursed at the beginning of spring semester. If enrolled in one semester only, the total amount of your loan will disburse at the beginning of the semester. There is a loan fee of 4% deducted from each disbursement.

When will repayment begin?

Repayment will begin 60 days after disbursement of the full amount borrowed for an academic year. Interest accrues as soon as the first disbursement is made. There is no grace period for this loan; the parent borrower repays both principal and interest while their student is in school. The repayment term will be 10 to 30 years depending upon the repayment plan selected. Parents have the option to defer payments for PLUS loans originated after July 1, 2008 provided the designated student is enrolled at least half-time each semester (six or more credits). Parents must contact the Direct Loan Servicer at 800-848-0979 after the loan has been disbursed to request a deferment.

What am I consenting to by signing the credit authorization?

Your consent verifies that you have read the privacy act disclosure as follows and give Hamline University permission to authorize the U.S. Department of Education to review your credit report:

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. The information on this form will be used to determine your eligibility for a Direct PLUS. 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 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 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 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 data may be recorded accurately.