

## **BOSTON UNIVERSITY**

### **Summer 2008 Undergraduate Direct PLUS Loan Fact Sheet**

A Federal Direct PLUS is a federal credit-based loan, which is available to assist parents with the costs of higher education. The Direct PLUS is available to parents of dependent undergraduate students. The parent applicant must pass the PLUS loan credit check review and cannot have an adverse credit history. The parent borrower and student must be citizens or permanent residents of the United States. The student for whom the Direct PLUS is being requested must be enrolled for at least 6 credit hours in a degree granting program. The credit hours must be accepted towards his/her degree program. Repeat classes cannot count towards the credit hour requirement. An enrolled student must be making satisfactory academic progress and have no outstanding balance due for prior enrollment at Boston University.

The interest rate on the Federal Direct PLUS is fixed at 7.9%. Interest begins to accumulate on the date of the first loan disbursement. The first payment is due within **60 days** after the loan is fully disbursed.

Parents may annually borrow a Direct PLUS up to the cost of the student's education less any financial aid the student is receiving. However, parents should not borrow more than they are able to repay. A 4% loan fee will be deducted from the loan prior to disbursement. In addition, borrowers will be given an up-front rebate that is approximately equal to 1.5% of the loan amount approved. A borrower retains the rebate by making the first 12 monthly payments on time. Overall, the amount available will be 2.5% less than the loan amount approved.

#### **How Do I Apply?**

Loan eligibility cannot be determined until the student is registered for the Summer Session. It is important that the PLUS loan request be submitted as soon as possible after the student registers for summer classes. Your loan application will take approximately 7-10 business days to review. There are two separate steps for the parent borrower to complete.

- 1) Parent Borrower must complete the Summer 2008 PLUS Request Form. This form authorizes the U.S. Department of Education to perform a credit review.
- 2) A Parent Borrower who previously completed a PLUS promissory note for the 2007/2008 academic year **AND** did not have an endorser to secure the loan, will not need to complete a new promissory note. All other borrowers, including first time borrowers, must complete a new PLUS promissory note.

The parent borrower must complete the PLUS promissory note online at [www.bu.edu/finaid](http://www.bu.edu/finaid). Click on "Online Promissory Note". The parent borrower will be required to use his/her U.S. Department of Education issued parent PIN to complete the online promissory note. If the parent borrower does not have a parent PIN or cannot recall his/her PIN, please go to [www.pin.ed.gov](http://www.pin.ed.gov) and allow up to 10 business days to secure it. The PLUS loan cannot be used in the settlement of the student account until the promissory note has been completed.

If the parent borrower fails to complete the promissory note on-line, a paper promissory note will be mailed to the parent borrower. **Failure to complete the promissory note before the end of the loan period will result in cancellation of the loan.**

#### **Consortium Agreements**

*If you are enrolled in a degree program at Boston University and take classes at a different institution, you must have a **Consortium Agreement** completed by the Financial Aid Office at the institution you are attending during the summer, your school's academic office at Boston University and the Office of International Programs. The completed Consortium Agreement should be forwarded to the Boston University Office of Financial Assistance with your Direct PLUS Request Form. The consortium agreement must be submitted **at least 3 weeks** before the end of your summer classes in order for Boston University to review your summer loan request.*

*If you are enrolled in a degree program at another institution and take classes at Boston University, you may be eligible for a summer Direct Loan. You should first check with your home institution (where you are matriculated as a degree candidate) to see if your home institution will process the summer loan. If they are unwilling, you may submit your request for a summer loan to Boston University along with a Consortium Agreement completed by your home institution. **Please be aware that Boston University will process your loan through the Direct Loan Program. Repayment may be more complicated if you also have Federal PLUS Loans from a bank or other lender.***

## Summer 2008 Undergraduate Direct PLUS Request Form (Please Print)

Please complete the PLUS Request form below and submit it to the:  
Boston University, Office of Financial Assistance, 881 Commonwealth Ave., 5<sup>th</sup> Floor, Boston, MA 02215,  
or fax it to 617-353-8200

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Student's Social Security #      Student's      Student's      Student's  
First Name      Middle Initial      Last Name

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Student's BU ID #      Email Address      Local phone #

Student Citizenship Status  
(1) \_\_\_ U.S. Citizen or National  
(2) \_\_\_ Permanent Resident  
(3) \_\_\_ Other Eligible Status  
If (2), alien registration No. \_\_\_\_\_

The parent borrower wishes to apply for a Direct PLUS Loan in the amount of \$\_\_\_\_\_ based on the student's summer registration listed below.

Number of credits:      Summer Session I \_\_\_\_\_ Summer Session II \_\_\_\_\_

Any funds anticipated for Summer 2008 from a source other than this loan:

Source \_\_\_\_\_ Amount \$ \_\_\_\_\_

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Parent's Social Security Number

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Parent's Date of Birth  
(mm/dd/yyyy)

U.S. Citizenship Status (check one)  
(1) \_\_\_ U.S. Citizen or National  
(2) \_\_\_ Permanent Resident/Other Eligible  
Non-Citizen  
If (2), alien registration No. \_\_\_\_\_

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Parent's Social Security Number

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Parent's First Name      Parent's Middle Initial      Parent's Last Name

Parent's Address:  
\_\_\_\_\_  
Street Name

\_\_\_\_\_  
City      State      Zip Code

\_\_\_\_\_  
Parent's Phone Number

\_\_\_\_\_  
Parent's Email Address

The Office of Financial Assistance must be notified if any of the above information changes. A change in registration may reduce or eliminate any eligibility for the Direct PLUS, which may result in a balance due the University.

\_\_\_\_\_  
Parent Signature      Date      Student Signature      Date