

## **Summer 2009 Direct PLUS Loan Fact Sheet for Graduate Students**

The Graduate Federal Direct PLUS is a federal credit-based loan, which is available to assist students with the costs of higher education. The student borrower must pass the PLUS loan credit check review and cannot have an adverse credit history. The student borrower must be a citizen or permanent resident of the United States. The student 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.

Repayment for the Graduate Federal PLUS loan begins six months after a student ceases half time enrollment. This six month period is called a post enrollment deferment period. The Direct Loan Servicing Center will notify the student of his/her payment start date between 30-60 days before the deferment period ends.

Students may annually borrow a Direct PLUS up to the cost of the student's education less any financial aid the student is receiving. However, students 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.

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

1) Borrower must complete the Summer 2009 PLUS Request Form. This form authorizes the U.S. Department of Education to perform a credit review.

2) **For NEW students, students who received a PLUS loan during Summer Term 2008 or students who are enrolled in classes that begin on or after 7/1/09:** Submit a **2009/2010 FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)** if you are applying **solely** for federal loan(s). The FAFSA can be completed on-line at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). For **current students**, if you received need-based aid for the 2008/2009 academic year and wish to apply for summer loan(s), your 2008/2009 information may be utilized.

3) A borrower who previously completed a PLUS promissory note for the 2008/2009 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 borrower must complete the PLUS promissory note online at <https://www.dlenote.ed.gov>. Click on "Complete New MPN for Student Loans" and then "Graduate PLUS". The borrower will be required to use his/her U.S. Department of Education issued PIN to complete the online promissory note. If the borrower does not have a 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 borrower fails to complete the promissory note on-line, a paper promissory note will be mailed to the borrower. **Failure to complete the promissory note before the end of the loan period will result in cancellation of the loan.**

4) The borrower must complete entrance counseling for the Graduate Federal Direct PLUS loan. The requirement may be completed online at <https://www.dl.ed.gov>. Entrance counseling must be completed before loan eligibility can be finalized and before funds can be disbursed to Boston University.

### **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 two parties: (1) Financial Aid Office at the institution you are attending during the summer and (2) your school's academic office at Boston University. 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 2009 Direct PLUS Request Form for Graduate Students  
(Please Print)**

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

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

Any funds anticipated for Summer 2009 from a source other than this loan:

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

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
First Name                      Middle Initial                      Last Name

\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
BU ID Number

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

Address:  
\_\_\_\_\_  
Street Name

U.S. Citizenship Status (check one)

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

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

\_\_\_\_\_  
Home Phone Number

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Summer Phone Number

By my signature below I acknowledge that the above information is true and correct. I understand that I must notify Boston University Financial Assistance regarding any and all changes to the above information. I understand that changing my enrollment may reduce or eliminate my eligibility for a Direct PLUS Loan.

\_\_\_\_\_  
Student's Signature                                      Date