



Boston University Financial Assistance

**SUMMER 2021
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 from a prior period of enrollment at Boston University.

The interest rate is 5.30% for PLUS loans disbursed on/after 7/1/2020 through 6/30/2021, fixed for the life of the loan. The interest rate is 6.28% for PLUS loans disbursed on/after 7/1/2021 through 6/30/2022. The specific interest rate that a borrower is charged will be included in a disclosure statement that is sent out after the first disbursement of the loan. Interest begins to accrue on the date of the first loan disbursement.

Repayment for the Graduate Federal PLUS loan begins 60 days after you have received the last installment of the loan. However, as long as you are enrolled at least half-time (6 credits), you will be granted a deferment that allows you to postpone payments while you are continuing your education. Your account will be placed in an in-school deferment status. There is no grace period for the PLUS loan, so you will be expected to begin repayment as soon as your deferment ends. Your Loan Servicer 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 are strongly urged to borrow no more than they are able to repay. A loan fee of 4.228% will be deducted from the loan prior to disbursement.

Loan eligibility cannot be determined until the student is registered for the Summer Session(s). It is important that your loan request be submitted as soon as possible after your registration is finalized. Your application will take approximately seven to ten business days to review.

How Do I Apply?

1) Complete the Free Application for Federal Student Aid (FAFSA) online at studentaid.gov/, if you have not already done so.

- Submit the 2021/2022 FAFSA if you are a NEW student, a student who received federal student aid during Summer Term 2020 or a student who is enrolling in classes that begin on or after 07/01/21.
- Your 2020/2021 FAFSA information may be utilized if you are a current student, received federal aid for the 2020/2021 academic year and wish to apply for a summer loan.

2) Complete the Summer 2021 PLUS Request Form. This form authorizes the U.S. Department of Education to perform a credit review.

3) Special loan counseling is required for any student who has an adverse credit history but qualifies for the Graduate PLUS loan through the reconsideration process or by obtaining an endorser for the loan. The loan counseling requirement must be completed online at studentaid.gov/.

The student will be notified by the Department of Education if the student needs to complete special loan counseling.

4) Prior borrowers who completed a PLUS promissory note for the 2020/2021 academic year are not required to complete a new PLUS promissory, unless an endorser was required to secure that loan. First time borrowers and all other borrowers are required to complete a new PLUS promissory note.

To complete the PLUS promissory note, the borrower does so online at studentaid.gov/. The borrower will be required to use his/her FSA ID to complete the online promissory note. If the borrower does not have a FSA ID, the borrower can create one when logging in to studentaid.gov/. Boston University will be notified within 3-5 business days that you have completed your promissory note online. Failure to complete the promissory note at least two weeks before the end of the summer loan period may result in cancellation of the loan.

5) All first time borrowers must complete entrance counseling for the Graduate Federal Direct PLUS loan. The requirement may be completed online at studentaid.gov/. Entrance counseling must be completed before loan eligibility can be finalized and before funds can be disbursed to Boston University.

In order to receive loan funds, all above requirements, including a positive credit check review, must be successfully processed and approved before the student's last day of the summer enrollment period. Please note the PLUS loan cannot be processed if you have a credit freeze with a credit bureau.

SUMMER 2021 DIRECT PLUS REQUEST FORM FOR GRADUATE STUDENTS

I, the **student borrower**, authorize the U.S. Department of Education to check my credit history for the purpose of determining my eligibility for the Federal Graduate PLUS loan for Summer Term 2021 and to report information about my loan eligibility to persons and organizations permitted by law to receive that information. I understand that I will be notified in writing of the results of the credit review with respect to my loan application.

Default Certification: If you are in default on any loan received under the Direct Loan, the Federal Family Education Loan or the Federal Perkins Loan Programs (including the National Direct Student Loans), you are not eligible to receive a Graduate PLUS Loan unless you have made satisfactory repayment arrangements with the loan holder to repay the amount owed. Check the box below to certify that you meet this requirement.

I am not in default on a loan received under the programs listed above, or if I am in default, I have made satisfactory arrangements with the loan holder to repay the amount owed.

The borrower wishes to apply for a Graduate Direct PLUS Loan in the amount of \$_____ based on the summer registration listed below. An 4.228% origination fee will be deducted from the requested amount.

I would like to request a Direct Loan to be equal to the amount of my remaining tuition and fee charges for summer. By checking this box your PLUS loan funds will leave you with a \$0 balance on your account.

Number of credits: Summer Session I _____ Summer Session II _____

Any funds anticipated for Summer 2021 from a source other than this loan:

Source _____ Amount \$ _____
Source _____ Amount \$ _____

PLEASE PRINT FULL LEGAL NAME EXACTLY AS IT APPEARS ON THE PROMISSORY NOTE.

Student's First Name Student's Middle Initial Student's Last Name

_____-_____-_____
Student's Date of Birth
(mm/dd/yyyy)

Student's Permanent Address:

Street Name

Student's Citizenship Status (check one)

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

City State Zip Code

Student's Phone Number Student's Email Address

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

Student's Signature:

Date:

BU Identification Number

Please send completed form by secure/encrypted email to your Graduate Financial Aid Office.