



# 2022-2023 PLUS LOAN REQUEST FORM

Direct loans through the government offer low fixed rates, flexible repayment plans, and postponement options.

This loan is an option for parents of dependent children (children claimed on their taxes). Complete this form if borrowing money to pay for college is right for your family. Please complete and fax or mail this form back to the Financial Aid Office. A master promissory note must be completed on line at [www.StudentAid.gov](http://www.StudentAid.gov). VAST students are not eligible for parent PLUS loans.

Student Name: \_\_\_\_\_ Vermont Tech Student ID#: \_\_\_\_\_  
(PLEASE PRINT)

Student SSN: \_\_\_\_\_  New Student  Returning Student

**TO BE COMPLETED BY PARENT BORROWER OF DEPENDENT STUDENT:**

Borrower's Full Name (list only one): \_\_\_\_\_

SSN: \_\_\_\_\_ Date of Birth: \_\_\_\_\_ Driver's License #: \_\_\_\_\_ State: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Email: \_\_\_\_\_  Mother  Father  Step-parent

Citizenship:  U.S. Citizen  Eligible Non-Citizen\*  Alien Number: A \_\_\_\_\_

*\*Please send a copy of Alien Registration Card*

Are you in default on a federal Educational Loan?  No  Yes Do you owe a refund on a Federal Student Grant:  No  Yes

**Lender: Direct Loans through the U.S. Department of Education**

Loan Period:  Fall Only AUG 2022-DEC 2022  Fall/Spring AUG 2022-MAY 2023  Spring Only JAN 2023-MAY 2023

Check here if applicable: If PLUS loan is denied based on credit check, please award additional unsubsidized loan to student (Up to \$4,000)

Loan Amount Requested: \$ \_\_\_\_\_ OR  Enough to cover bill and we will calculate the amount for you when we process.

There is an origination/guarantee fee charged by the Lender. Please add my lender fee into the request amount

Student wishes to charge books. We wish to have \$1,000, annual book budget, added to the parent loan.

I authorize my lender to obtain a current copy of my credit report to make a preliminary credit determination of my qualification for a PLUS loan at this time. I understand that this credit determination does not constitute final approval and I understand that I must submit a signed Federal PLUS loan application and promissory note, including authorization for a subsequent credit evaluation, in order to obtain final approval for the loan. If my signed Federal PLUS loan application and Promissory Note is submitted later than 90 days after the original preliminary credit determination, I authorize the lender or its agent to obtain a new copy of my credit report for the purpose of making an updated preliminary credit determination at the time of submission. I also authorize release of my credit evaluation results to Vermont Tech. I authorize Vermont Tech to credit Title IV PLUS loan funds to pay my dependent student's bill to cover all educationally related costs as billed by the Student Account Office. I understand I have the right to rescind this authorization by notifying the Financial Aid Office in writing.

Parent Borrower's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## INSTRUCTIONS

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If you have not already done so, complete a Federal Direct PLUS Loan Master Promissory Note (MPN). The MPN is a multi-year promissory note that is collected by the federal government. It is your promise to repay the loan. The MPN must be completed before the government will provide Federal PLUS Loan funds.

1. Complete a VTC Federal Direct Parent PLUS Loan Application/Credit Application for each new loan request
2. Visit [www.studentaid.gov](http://www.studentaid.gov) to complete an online MPN
3. The FSA ID is required to complete the MPN. This is obtained at [www.fsaaid.ed.gov](http://www.fsaaid.ed.gov)
4. Click the "Complete New MPN for Parent PLUS Loans" link and follow the directions

## ELIGIBILITY

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- Noncustodial parents and stepparents are eligible to apply for a PLUS Loan.
- Parent borrower must be a US citizen or Permanent Resident.
- Parent borrower must pass a credit check performed by the lender.
- Parent borrower must \*not be in default on a federal education loan or owe a refund on a federal grant. \*UNLESS satisfactory repayment arrangements have been made-provide repayment details on a separate piece of paper

## IMPLEMENTATION OF ADVERSE CREDIT HISTORY PROVISIONS

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On March 29, 2015, the new Direct PLUS Loan regulations on adverse credit history will be implemented. The new regulations provide that a PLUS loan applicant has an adverse credit history if, in addition to other conditions (e.g. bankruptcy, foreclosure, tax lien, or a default determination), the applicant has one or more debts that are 90 or more days delinquent or that are in collection or have been charged off during the two years preceding the date of the applicant's credit report, but only if the total combined outstanding balance of those debts is greater than \$2,085. Special loan counseling will also be required for any PLUS Loan applicant who has an adverse credit history but who qualifies for a PLUS Loan through the process for reconsideration due to extenuating circumstances or by obtaining an endorser for the loan.

## REPAYMENT

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Payments 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. You begin repaying both principal and interest while your student is in school. You will have from 10 to 30 years to repay depending upon the repayment plan you select. Note: On May 7, 2008, President Bush signed into law the Ensuring Continued Access to Student Loans Act of 2008 which allows the option to request payment deferment. Call the Direct Loan Servicing Center directly at 1-800-557-7394 for details and instructions.

## INTEREST RATE

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Current interest rate information located on [studentaid.ed.gov](http://studentaid.ed.gov). As of 07/01/2021, Federal Direct PLUS loans have a fixed interest rate of 6.28%. Additionally, there is a net 4.228% origination fee that comes off the top of the loan. Information available at time of printing is subject to change based on federal rules.

## CREDIT DENIAL

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If your credit is denied, you will receive notification from the Direct Loan Servicer. You may choose from the following options:

- You may try to have a credit status override completed by the servicer. Please contact the Direct Loan Servicer at 1-800-557-7394 and Equifax (their credit bureau) at 1-800-685-5000.
- You may provide documentation to the Direct Loan Servicer if you have extenuating circumstances. Your request for a PLUS loan will be reviewed again by the servicer.
- You may have a third party endorser co-sign the PLUS loan application with you. In this case, please contact the Direct Loan Servicer at 1-800-557-7394.
- You may choose not to pursue the denied PLUS loan and your student may be able to borrow additional funds for the current academic year through the Unsubsidized Federal Direct Loan Program.

## PLEASE READ-PRIVACY ACT DISCLOSURE

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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.