



RETURN TO:
Office of Financial Aid & Scholarships
Cal Poly Pomona
3801 W. Temple Ave.
Pomona, CA 91768-4008
(909) 869-3700 Phone
(909) 869-4757 FAX



2018 – 2019 DIRECT PLUS LOAN APPLICATION AND INFORMATION

IMPORTANT PLUS LOAN INFORMATION

Direct PLUS loans are for parents or stepparents who need to borrow to assist in their dependent's undergraduate education. This loan is not based on income or assets and is not subsidized, meaning the interest accrual begins immediately and is the responsibility of the borrower. Parents may borrow up to the total costs of their dependent's Cost of Attendance, minus any financial aid their dependent may be receiving.

Interest Rates and Origination Fees associated with Parent PLUS Loans are as follows:

Date of First Disbursement	Interest Rate	Origination Fees
Between July 1, 2017 – Sept. 30, 2018	7.0	4.264
Between Oct. 1, 2018 – June 30, 2019	7.595	4.248

****Interest Rates change every year on July 1st and Origination fees change every year on October 1st. The changes are determined by Department of Education.**

Requirements needed before applying for a Parent PLUS loan:

- Student must complete 2018/2019 Free Application for Federal Aid (FAFSA) at www.FAFSA.ed.gov
- Student must submit all requested documents listed on BroncoDirect "To-Do-List"
- Review financial aid award on BroncoDirect to apply for the difference from the Cost of Attendance minus financial aid awarded
- Qualifications for a Parent PLUS Loan
 - Parents must be a U.S. citizen or an eligible non-citizen
 - Have a valid Social Security number
 - Provide a copy of Government issued photo ID/Driver's License (only if submitting paper application below)
 - Apply online at studentloan.gov
 - Student must be dependent and be enrolled at least half time enrollment

Who is responsible for repayment? When?

- The parent who completes the Direct PLUS application and Master Promissory Note is legally obligated to repay the loan debt even if student does not complete his/her education
- Repayment begins within 60 days after the final loan disbursement of the academic year. There is no grace period.
- Parents can pay both principal and interest on their loan while their dependent is still in college.
- Lender will send repayment information directly to parent

Can parents defer repayment of their PLUS loan?

Yes, loan deferments are available if the students for whom the PLUS loan was borrowed is enrolled at least half-time and the [Direct PLUS Loan Deferment form](#) is completed and submitted to the Office of Financial Aid & Scholarships. For more information contact the [Direct Lending Services](#) at (800) 557-7394 or the loan holder/Guarantor of your PLUS loan.

What does it mean to default on a PLUS loan?

The consequences on defaulting on a Parent PLUS loan may include::

- Wage garnishment
- Damage to borrower's credit rating
- Garnishment of state and federal tax refunds
- The parent loses eligibility of future student financial aid (The student's eligibility is not affected)
- Assessment of collection costs

Can I consolidate all my PLUS Loans into one loan?

- Yes, you can consolidate all your PLUS loans into one loan with one lender to facilitate your repayment.
- Visit the Direct Loan Servicer website at studentloans.gov to locate additional information regarding consolidation or reach them by phone at (800) 557-7394.



APPLICATION PROCESS :

Online application process ONLY:

- Log in to Direct Lending at studentloans.gov with parent's own FSA ID and password
- Direct Lending will notify parent of credit decision
- Parent will be notified by Direct Lending when to complete Master Promissory Note

Paper Application ONLY:

- Complete and submit the 2018/2019 Direct PLUS Loan Application to Office of Financial Aid & Scholarships
- Submit a copy of government issued parent ID to Office of Financial Aid & Scholarships
- Application will be processed through our office and sent to Direct Lending for Credit Approval

LOAN SEMESTER DATES:

- Fall & Spring Semesters - August 23, 2018 through May 17, 2019
- Fall Semester only - August 23, 2018 through December 15, 2018
- Spring Semester only - January 19, 2019 through May 17, 2019
- Summer Semester only - May 29, 2019 through August 6, 2018

IF CREDIT IS APPROVED:

- **If applying online**, Direct Lending will send school notification of credit approval so loan can be added to student's account.
- Once loan is added to award, Direct Lending will be notified and a notification to complete Master Promissory Note (MPN) will be sent to parent from Direct Lending.
- **If paper application** is submitted to Office of Financial Aid & Scholarships, a notification will be sent to parent to complete Master Promissory Note (MPN) from our office.
- Any changes to an approved loan such as parent's address, cancelling or reducing the amount must be submitted to our office by completing [Plus Loan Change form](#).

IF CREDIT IS DENIED:

Online Process:

- Parent will be notified immediately by Direct Lending to get co-signer or submit credit appeal directly to them at studentloans.gov.
- Once co-signer is approved, both borrower and co-signer will be prompted to complete PLUS Counseling.
- MPS notification will be sent to parent 5 days after loan has been added to award by our office.

Paper Application Process:

- The parent may request to add a co-signer to their PLUS loan by contacting [Direct Lending Services](#) at (800) 557-7394
 - If credit appeal and/or co-signer is approved, please notify our office so we can verify acceptance of co-signer and disburse funds to student

Online and Paper Application:

- If the parent does not wish to pursue a co-signer or credit appeal, and would like to cancel the PLUS loan, the student has the option to apply for an additional Unsubsidized Stafford loan. This request can be done by submitting the [Information Update form](#) to our office

NOTE: Parent PLUS loan will continue to appear on BroncoDirect's Student Center screen as "pending" aid until any of the above processes are completed.

HOW WILL THE PLUS LOAN BE DISBURSED:

- Direct PLUS funds will be disbursed to your dependent's account semester installments to satisfy any outstanding institutional charges, usually at the beginning of each term. Excess funds, will be mailed by check to the parent borrower.



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2018 – 2019

DIRECT PLUS LOAN APPLICATION AND PAYMENT AUTHORIZATION FORM

Parents of dependent students must complete and return this form with a copy of government issued photo ID to the Office of Financial Aid & Scholarships. The parent must also complete a PLUS Master Promissory Note (MPN) with the U.S. Department of Education once the loan is approved.

Section A: STUDENT INFORMATION

Student Name:	Bronco Number:
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Section B: PARENT INFORMATION (Please provide complete information for one parent only and print legibly):

Parent Name:	Social Security Number:	Date of Birth:	
Mailing Street Address:	City:	State:	Zip:
Phone Number:	Email Address:		
Citizenship: <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> U.S. Naturalized Citizen <input type="checkbox"/> Eligible Non-Citizen A#			

Relationship to Student: Mother (Stepmother) Father (Stepfather)

Section C: PARENT LOAN INFORMATION (Do Not Leave Blanks)

Have you ever defaulted on Federal Loan? <input type="checkbox"/> No <input type="checkbox"/> Yes	If Yes, Date of default:	Loan Amount Requested*: \$
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* Refer to your student's Financial Aid Award for maximum PLUS loan eligibility. Excess funds from Direct PLUS loan will be mailed to the Parent/Borrower.

Loan requested for: Fall & Spring Fall only Spring only Summer Only

Section D: REVIEW AND SIGN

If parent applying for the PLUS loan is not on the FAFSA, attach a signed statement verifying that the parent is a "biological parent" of the student.

I agree to provide information that will verify the accuracy of the completed form. I certify that I am the person identified by the parent/student signature.

Student Signature: _____ **Date:** _____

Parent / Borrower Signature: _____ **Date:** _____

ATTACH A COPY OF A GOVERNMENT ISSUED PARENT PHOTO IDENTIFICATION CARD AS REQUIRED FOR LOAN TO BE PROCESSED.

If persons completing this form purposely give false or misleading information or signatures, those persons may be fined, sent to prison, or both.