

FEDERAL PARENT LOAN FOR UNDERGRADUATE STUDENTS (PLUS LOAN)

1) What is the Federal PLUS Loan and how much can I borrow?

The PLUS Loan is a federal government loan for creditworthy parents of dependent undergraduate students. Parents may borrow up to the estimated cost of attendance, as indicated on the student's financial aid award letter, minus other financial aid. The lender will deduct origination and federal default fees of up to 4% from the amount of each loan disbursement. For Federal PLUS Loans disbursed after July 1, 2006, the interest rate is fixed at 8.5%, and interest starts to accrue with the first disbursement. Repayment begins within 60 days of the final disbursement of the loan. Payments are typically scheduled over a 10 year period.

2) How do I qualify for a Federal PLUS Loan?

You must be a U.S. citizen or eligible non-citizen, have a valid Social Security number, and pass a credit check. Generally, you must not have any delinquent or defaulted loans or credit card debt, outstanding tax liens, unpaid judgments, or any bankruptcy, foreclosure, or wage garnishment within the past five years. Your daughter must be enrolled at least half-time in an eligible degree program and must be making satisfactory academic progress for financial aid. Parents who do not pass the credit check may still be able to obtain a Federal PLUS Loan if they are able to obtain a creditworthy co-signer. A student whose parent is denied a Federal PLUS Loan may be able to apply for a Federal Unsubsidized Stafford Loan if she provides the M Center with a copy of the PLUS Loan denial letter.

3) How do I apply for a Federal PLUS Loan?

Step 1

Submit an online or paper Federal PLUS Loan Master Promissory Note to the lender you have chosen. You may contact the lender directly for instructions on completing the Federal PLUS Loan Master Promissory Note. Most lenders also provide this information on their websites.

Note: If you complete a paper Federal PLUS Loan Master Promissory Note, please be sure to send this document to your lender. Do not send the Federal PLUS Loan Master Promissory Note to Mills.

Step 2

Complete the enclosed Federal PLUS Loan Request Statement. Please note:

- You may apply for a maximum of the estimated cost of attendance, as indicated on your daughter's financial aid award letter, minus other financial aid she will be receiving for the 2009-2010 academic year.
- The lender indicated on this form must be the same lender for which you completed a Federal PLUS Loan Master Promissory Note.
- Return the PLUS Loan Request Statement to the M Center at Mills. Do not mail this form to your lender.

4) What happens next?

Your Federal PLUS Loan will be certified by Mills if Mills has received your 2009-2010 Federal PLUS Loan Request Statement, you have passed the credit check initiated through the application process with the lender, and your lender has received your online or paper Federal PLUS Loan Master Promissory Note. The certification process can take three to six weeks depending on the time of year. If you will be using the proceeds of the loan to assist with payment of your daughter's college bill, all requirements should be completed no later than July 15 for the fall semester and by December 15 for the spring semester. If approved for the academic year, the loan will be disbursed electronically to your daughter's student account at Mills in two separate payments. The second disbursement typically is scheduled to arrive in January for the spring semester.

If you have questions or need assistance, please contact the M Center at 510.430.2000 or by email at finaid@mills.edu.

**FEDERAL PLUS LOAN REQUEST STATEMENT
2009-2010**

Parent's SSN: --

Parent's Last Name: _____ First _____ M.I. _____

Parent's Phone Number: (_____) _____ - _____

Student's SSN: --

Student's Last Name: _____ First _____ M.I. _____

My signature below constitutes my request for a Federal Parent Loan for Undergraduate Students (PLUS) to assist with the educational costs of the student named above.

- I. I request a PLUS Loan in the amount of : \$ _____ .00**
(Parents may apply for a maximum of the estimated cost of attendance, as indicated on the student's financial aid award letter, minus other aid the student will be receiving for the 2009-2010 academic year.)
- II. I request this loan from: _____.**
(Indicate lender choice here. The lender, as indicated on this form, must be the same lender for which the parent has completed a Federal PLUS Loan Master Promissory Note.)
- III. I request this loan to cover the following period(s) of enrollment:**

Academic Year 2009-2010 Fall 2009 Only Spring 2010 Only

IV. Please check the following boxes after you have read the statements and sign below.

- I understand that this loan is to be used for educational purposes while my daughter/son is attending Mills College, and I will use the proceeds from this loan accordingly. I also understand that this and any other student loan that I may have acquired must be repaid, with interest.
- In addition, I understand that I must sign a Master Promissory Note (MPN) to get this loan (if I have not already done so), that I may receive additional loans in the future using this MPN, and that all debts acquired under this MPN are fully enforceable in the court of law.
- I understand that failure on my part to adhere to the terms and conditions of my loan may result in default and forfeiture of some of the benefits afforded me in this program.
- Finally, I understand that I have other rights and responsibilities, and that if I am not fully aware of them, I will ask my lender or the financial aid office to provide me with this information.

Parent Borrower's Signature: _____ Date: _____