

2011 - 2012 FEDERAL DIRECT PLUS LOAN REQUEST FORM

Your financial aid award contains a Federal Direct PLUS Loan. The Federal Direct PLUS Loan is a federally sponsored loan that is available to the parents of dependent undergraduate students. It features low interest rates and long-term repayment options. While parents of all income levels are eligible, a credit-worthiness evaluation is required. Parents may borrow up to the cost of attendance minus any other aid received by the student annually and may opt to borrow less than the amount that is awarded. All Federal Direct PLUS Loans are subject to an origination fee. This fee is deducted from the loan proceeds at the time funds are disbursed.

APPLICATION PROCESS FOR A FEDERAL DIRECT PLUS LOAN AT CLARK ATLANTA UNIVERSITY

1. Student must have completed the 2011-2012 Free Application for Federal Student Aid (FAFSA) which is available online at <http://www.fafsa.ed.gov>.
2. If you are either a new or a previous Federal Direct PLUS Loan borrower, you must submit a completed 2011-2012 Federal Direct PLUS Loan Request Form to the Financial Aid Office. A new Federal Direct PLUS Loan Request Form is required each academic year to ensure that borrower information is current.
3. The Clark Atlanta University Financial Aid Office will transmit your request to the U.S. Department of Education.
4. A credit check will be performed to determine approval or denial of the loan.
5. If the loan is approved and you are a first-time Federal Direct PLUS borrower or have not borrowed from the Federal Direct PLUS program within the last 12 months, you will need to sign a Master Promissory Note (MPN) at <http://www.studentloans.gov>. Signer of the PLUS MPN must match borrower information submitted on this form.
6. Once your loan is approved, you will receive a disclosure statement that will inform you of the amount of your loan and the estimated date of disbursement.
7. To view your loan application status once the Federal Direct PLUS Loan request form has been submitted to Clark Atlanta University, visit Clark Atlanta University's Bannerweb at <http://www.cau.edu> (parents will need their student's ID and PIN to access this information and/or the Federal Direct Loan Servicing Center at <http://www.studentloans.gov>.

FEDERAL DIRECT PLUS REPAYMENT INFORMATION

The Federal Direct PLUS Loan is a serious financial obligation which you must repay. Please remember the following:

- Repayment of the PLUS begins 60 days after the last disbursement for the loan period borrowed or the last date of attendance. Check with your lender for deferment options for loan repayment.
- For Federal Direct PLUS Loans to be used for deferment purposes on a student bill, the U.S. Department of Education must have confirmed receipt of a signed active and valid Master Promissory Note from the borrower **at least 10 business days prior to your student payment deadline**. Please keep this deadline in mind and be prompt in returning your Master Promissory Note to the U.S. Department of Education.
- The interest rate for Federal Direct PLUS Loans issued after July 1, 2006 is fixed at 7.9%.
- The minimum monthly payment on a Federal Direct PLUS loan is \$50 per loan.
- You may take up to ten years to repay the loan, and there is no prepayment penalty.
- If you find that you are unable to make loan payments during the repayment period, contact the U.S. Department of Education. You may be eligible for a deferment or forbearance which allows you to postpone your payment under certain government-approved situations.
- To view aggregate borrowing information, visit <http://nslds.ed.gov>

PLEASE PRINT LEGIBLY

2011-2012 FEDERAL DIRECT PLUS LOAN REQUEST FORM

Student Name _____ Student ID _____
Last First Middle

Telephone (____) _____ E-mail _____

This form is to be used by the parent requesting certification of eligibility under the Federal Direct PLUS Loan Program.
Complete all questions (1-12), sign (see page 3) and return to the Clark Atlanta University Financial Aid Office by fax or mail.

PARENT (BORROWER) INFORMATION

• **Failure to answer ALL items will result in a delay of the loan process. The borrower on this form must match the borrower on the Master Promissory Note**

1) Parent Borrower SSN: ____ / ____ / ____

2) Relationship to Student _____

3) Name: _____
Last First Middle

4) Address: _____
Street City State Zip

5) Date of Birth: ____/____/____

6) Home Telephone (____) _____

7) Citizen Status: Citizen Eligible Non-Citizen Alien ID Number _____

8) Driver's License: License Number _____ Issuing State: _____ OR None

9) E-Mail _____ (optional)

10) Are you in default on a Federal Educational Loan or do you owe a repayment on a Federal Grant? Yes No

11) Identify Loan Period (check only one):

Fall & Spring Fall Only Spring Only

Summer (Student must complete a separate Clark Atlanta University Summer Financial Aid Application for this academic term.)

12) Total Federal Direct PLUS Loan amount requested \$ _____

—Parent's signature required on page 3—

Student Name _____ Student ID _____

Last First Middle

My signature on this form:

- Provides borrower authorization to apply Federal Direct PLUS Loan funds to current academic year institutional charges through the process of Electronic Funds Transfer (see below for an explanation of this process). These charges may include current term charges of tuition, fees, contracted room and board, and other charges that may include, but are not limited to, parking fines and health services fees. Please note that there are deadlines and verifications of identification associated with the completion of this form.
- Confirms that I have read and that I understand all instructions.
- Attests that under penalty of perjury I have provided accurate, complete, and current information.
- Acknowledges that I am the biological, adoptive or step-parent whose information was included on the current FAFSA of the student indicated on this form.
- Acknowledges that I consent to the U.S. Department of Education and/or Clark Atlanta University in obtaining a report of my credit record and using the information from that report in determining whether to make a Federal Direct PLUS Loan to me. I understand that I will be notified in writing of the results of the credit check with respect to my loan application.

Parent Borrower Signature _____ Date _____

Print Parent Borrower Name _____

- **This form cannot be signed by the student. If this form is signed by anyone other than the parent, it is considered fraud and the student will be reported to the Office of the Inspector General with the Department of Education.**
- **The borrower on this form must have a signed Master Promissory' Note with the U.S. Department of Education to complete the loan process.**

Electronic Funds Transfer (EFT) is a procedure by which the U.S. Department of Education will send your Federal Direct PLUS Loan funds to Clark Atlanta University. Once eligibility is confirmed, these funds will be applied to the Clark Atlanta University student account to pay for tuition, fees, contracted room and board, and other related educational expenses including, but not limited to, charges from Student Health Services, the Library, and Parking Services. Federal regulation currently allows for federal financial aid to be applied to outstanding prior year charges of up to \$200.00. Clark Atlanta University will allow up to this maximum or the prevailing regulatory limit should that amount change.

Privacy Act Disclosure Notice

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 Federal Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Federal Direct PLUS loan. 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.S. 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.

Incomplete forms will delay processing.