

## 2011-2012 Federal Direct Graduate PLUS Application Credit Authorization

(DGPA12)

If you wish to borrow a Federal Direct Graduate PLUS Loan for the 2011-2012 academic year, please note the following:

- You will need to complete a FAFSA application online at [www.fafsa.gov](http://www.fafsa.gov) for the 2011-2012 year and meet all federal eligibility requirements.
- You will need to complete this form so that we can initiate the processing of the Graduate PLUS loan. This application can be faxed or mailed to our office.
- The information provided on this form will be sent to Direct Loans so that they can initiate a credit check.
- In the event that your loan is denied, Direct Loans will notify you by mail of your options.

Borrower Information		
Last Name	First Name	UST ID Number
Phone Number		

Loan Amount Request
The requested loan amount cannot exceed the annual cost of attendance minus financial aid. Review your Notification of Award for your maximum eligibility.
Loan Amount Requested \$ _____ (The loan funds will be distributed equally among terms.)

Authorization for credit check/Consent to obtain credit report		
I consent to the U.S. Department of Education and its agents obtaining a report of my credit record and using the information from that report in determining whether to make a Federal Direct Graduate 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.		
<table border="1"> <tr> <td>Borrower Signature</td> <td>Date</td> </tr> </table>	Borrower Signature	Date
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### 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 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.

# Federal Direct Graduate PLUS Loans FREQUENTLY ASKED QUESTIONS

Please keep this information sheet with your other important financial aid papers.

## How will I know if I am eligible?

After the attached form is processed, you will be notified by the Direct Loan Servicer of your loan eligibility. Generally, you are eligible if:

- you filed the Free Application for Federal Student Aid (FAFSA) for this academic year
- you do not have an adverse credit history (a credit review will be completed)
- you are not in default on a federal student loan
- you meet the other eligibility requirements outlined on your loan application

## What is a Master Promissory Note (MPN)?

A promissory note is a binding legal document that lists the conditions of your loan and the terms of repayment. Instead of completing a promissory note every year, a Master Promissory Note (MPN) is a multi-year promissory note that only has to be completed once while you are attending UST. The MPN will simplify the processing of your loan(s).

## How do I sign an MPN?

If you do not have a valid Graduate PLUS Master Promissory Note (MPN) on file, you may electronically complete a Master Promissory Note (MPN) at <https://studentloans.gov>.

## How do I know if I have a valid MPN on file?

You have met the requirements for an MPN if you had an approved Graduate PLUS loan and signed an MPN for a previous academic year and the MPN did not have an endorser. If the MPN had an endorser, you will be required to complete a new promissory note.

## If I already have a Graduate PLUS Master Promissory Note (MPN) on file with UST, what else is required?

A signed and completed Federal Direct Graduate PLUS Loan Application/Credit Authorization must be submitted to our office as confirmation that you wish to pursue a loan for this academic year. We will send your application to the U.S. Department of Education for credit approval. The Free Application for Federal Student Aid (FAFSA) must be submitted each academic year before a Graduate PLUS loan application can be processed.

## When will the Graduate PLUS loan disburse?

In accordance with federal loan regulations and UST's disbursement schedule, the loan will be applied to your account once all requirements are met. There is a loan fee of 4% deducted from each disbursement. However, at this time, a 1.5% rebate is being offered to all borrowers by the U.S. Department of Education. If enrolled fall and spring semesters, one-half of the loan will be disbursed at the beginning of fall semester and the remaining half will be disbursed at the beginning of spring semester. If enrolled one semester only, the loan will disburse in one disbursement at the beginning of the semester.

## What if I want to reduce or cancel my PLUS loan?

If you wish to reduce or cancel the amount you borrowed with the Federal Direct Graduate PLUS loan, it is important that you notify the Financial Aid Office in writing as soon as possible. You may cancel all or a portion of your loan after funds have been credited to your UST student account by notifying us in writing within 30 days after the date of your loan disbursement notice.

## **What if I want to apply for additional Graduate PLUS loan funds?**

You may apply for additional Graduate PLUS loan funds by completing another Federal Direct Graduate PLUS loan application/credit authorization. The total amount of a Graduate PLUS loan may not exceed the cost of attendance minus all other financial aid. Please note that your credit history may be reviewed again to determine your eligibility.

## **What am I consenting to by signing the credit authorization?**

Your consent verifies that you have read the privacy act disclosure as follows and give UST permission to authorize the Department of Education to review your credit report:

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.

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## **What if my credit is denied?**

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 Graduate 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.

## **Is my loan deferred while I am in school?**

Yes. While you are enrolled in school at least half-time, you are automatically placed in an in-school deferment status that allows you to postpone payments on your Graduate PLUS loan until you graduate or drop below half-time