Federal Direct Graduate PLUS Loans

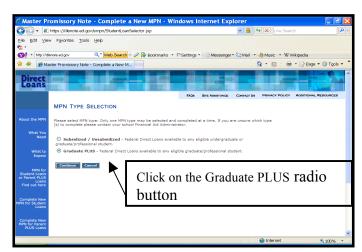
The federal government provides a special loan program for graduate students called the Federal Direct Graduate PLUS Loan. This information sheet outlines some of the highlights of this program:

Graduate PLUS Loan Facts:

- 1. To apply, all students must complete a FAFSA.
- The Office of Student Financial Services will automatically determine a graduate student's eligibility for the Federal Direct Subsidized and Unsubsidized Loans first. After this has been determined, an eligibility amount will be determined for the Graduate PLUS loan which is based on the student's Cost of Education minus all financial aid received.
- 3. To be eligible for a Graduate PLUS Loan, a student does NOT have to take either the Subsidized or Unsubsidized loan.
- 4. The Graduate PLUS Loan requires a master promissory note (eMPN) which can be completed over the Internet at http://studentloans.gov
- 5. Students who apply for the Graduate PLUS Loan are required to present a copy of their eMPN and to complete the "Loan Adjustment Form" available at www.brooklyn.liu.edu/financialaid (click on Brochures, Forms and Other Links). Both documents are required by the Office of Student Financial Services before disbursement on the loan can take place.
- 6. A credit check is performed by the federal government and is based on the student borrower and decision re made generally within two weeks. If the student has a negative credit history, an endorser for the loan is permitted.
- 7. Repayment of the Graduate PLUS Loan is due after the second disbursement of this loan. For example, if a student borrows a fall/spring loan, the payments begin 60 days after the second (final) loan disbursement for the loan period. For a fall/spring loan, this would be after the spring portion of the loan is disbursed. While actual repayment doesn't begin until the time indicated in (7) above, interest and principle begins to accrue after the first disbursement.
- 8. The Graduate PLUS Loan allows for deferment of repayment if a student is enrolled for and maintains at least six credits (part-time) of enrollment status. There is no grace period for the Graduate PLUS Loan.
- 9. The interest rate for this loan is a fixed interest rate set every July 1st .

To begin the acceptance process, begin at: http://studentloans.gov





Now, follow the web pages one by one to complete the master promissory note. When you prepare to sign your electronic promissory note, you must use a middle initial IF you used a middle initial when you requested your Federal PIN.