

HERKIMER COUNTY COMMUNITY COLLEGE
Federal Direct PLUS Loan Application
2010-2011

STUDENT INFORMATION

1. Student Name _____ 2. Student SSN or ID _____

LOAN INFORMATION:

3. Loan Amount Requested \$ _____

4. Loan Period: Academic year (Fall 2010 & Spring 2011) Fall 2010 ONLY Spring 2011 ONLY

PARENT INFORMATION – To be completed by the parent:

5. Last Name _____ 6. First Name _____ 7. MI _____

8. Social Security Number _____ 9. Date of Birth _____

10. Street Address _____

11. City _____ 12. State _____ 13. Zip _____

14. Phone Number _____

15. Parent Borrower U.S. Citizenship Status

Citizen Non-Citizen Alien – Registration # _____

16. Are you currently in default on a federal education loan?

Yes No

17. Do you owe money back on a federal student grant?

Yes No

Credit Record Authorization

By my signature below, I authorize the Secretary of the U.S. Department of Education to investigate my credit record and report information concerning my credit to the proper persons and organizations. In the case of a negative credit decision, you will receive written notification in the mail of the name of the Credit Bureau reporting and the reasons for the denial.

I understand that the information in my 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 parties that The U.S. Department of Education authorizes to assist them in administering the Federal student aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other Federal agencies.

By my signature below, I am applying for a Direct Parent Loan for Undergraduate Students (PLUS). I understand that the PLUS loan is in my name, and I will be responsible for repayment. I authorize the PLUS loan to pay for all institutional (tuition and mandatory fees) and non-institutional charges such as housing, meal plans, books, optional fees, fines, etc. I also certify that all information on this form is true and correct to the best of my knowledge.

19. Parent Signature _____ 20. Today's Date _____

Please return your completed application to:
Herkimer County Community College, Financial Aid Office, 100 Reservoir Road, Herkimer NY 13350.
Or
Fax to the following number: (315) 866-0062

FEDERAL DIRECT PLUS LOAN TERMINOLOGY

Promissory Note

The binding legal document you sign when you get a Federal Direct PLUS Loan. It lists the conditions under which you are borrowing and the terms under which you agree to pay back the loan. It will include information about your interest rate and about deferment and cancellation provisions.

Interest Rate

The interest rate for a Federal Direct PLUS Loan is currently a fixed rate of 7.9%. Interest accrues on the loan during all periods of the loan, beginning with the date of your first loan disbursement.

Loan Fee

There will be a 4% loan fee on the principal amount of the loan. This fee will be deducted before any of the loan money is received, so the loan amount you receive will be less than the amount that will be repaid.

Loan Repayment

Parents begin repaying their Federal Direct PLUS Loan 60 days after the loan has been fully disbursed. Depending on the repayment option that is chosen, parents generally have 10-25 years to repay their Federal Direct PLUS Loan.

- **Standard Repayment Plan**-fixed monthly payments up to 10 years.
- **Extended Repayment Plan**-fixed monthly payments over a period of time, not to exceed 25 years.
- **Graduated Repayment Plan**-payments that start off lower at first, and then gradually increase, usually every two years.

Deferment (NEW for 2008-2009)!

For Federal Direct PLUS Loans that are first disbursed on or after July 1, 2008, parent borrowers have the option of deferring repayment based on the enrollment status of the dependent student on whose behalf the Federal Direct PLUS Loan was obtained. Eligible periods for deferment:

- While the dependent student on whose behalf the loan was obtained is enrolled on at least a half-time basis.
- While the parent borrower is enrolled on at least a half-time basis.

Parent borrowers should contact the Direct Loan Servicing Center at 1-800-848-0979 to request a deferment form.

Contact Information

- **General Information**-www.studentaid.ed.gov
- **Repayment Information**-www.dl.ed.gov

William D. Ford Federal Direct Loan Program

Also referred to as the Direct Loan Program, is a federal program that provides loans to student and parent borrowers directly through the U.S. Department of Education. The loans are Federal Direct Stafford/Ford (Direct Subsidized) Loans, Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loans, Federal Direct PLUS (Direct PLUS) Loans, and Federal Direct Consolidation (Direct Consolidation) Loans.

Standard Repayment Plan

This chart shows estimated monthly payments and total interest charges using the current interest rate of 7.9% over a typical 10-year repayment period.

Total Amount of Loan	Number of Payments	Monthly Payment	Total Interest Charges	Total Repaid
\$1,000	22	\$50	\$75.78	\$1,075.78
\$2,500	61	\$50	\$542.12	\$3,042.13
\$3,500	95	\$50	\$1,207.05	\$4,707.05
\$4,500	120	\$54.36	\$2,023.20	\$6,523.20
\$5,000	120	\$60.40	\$2,248.00	\$7,248.00
\$6,000	120	\$72.48	\$2,697.60	\$8,697.60