

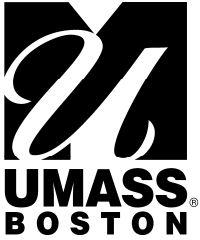
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FEDERAL DIRECT PLUS LOAN INFORMATION FOR GRADUATE STUDENTS

In July 2006, the Federal PLUS program expanded to allow graduate students to borrow through the Federal PLUS program on their own behalf. The program is administered by the University of Massachusetts Boston Financial Aid Services Office, working with the U.S. Department of Education to offer this loan. Please refer to the following overview for important information regarding the Federal Direct PLUS Loan Program.

FEDERAL DIRECT GRADUATE PLUS LOAN PROGRAM OVERVIEW

Program Description	<p>The Federal Direct Graduate PLUS Loan is a non-need based Federal loan program administered by the UMass Boston Financial Aid Services Office. Graduate student borrowers are able to borrow loan funds directly from the U.S. Department of Education. Detailed information regarding the Federal Direct PLUS Loan Program can be found in the U.S. Department of Education brochure, <i>Direct PLUS Loan Basics</i>, which is available online at http://www.ed.gov/offices/OSFAP/DirectLoan/pubs/parentbasics.pdf.</p>		
Borrower	<p>The graduate student acts as the borrower of the loan. If the borrower is denied the loan (see creditworthiness), they may request an endorser (cosigner) to the loan.</p>		
Eligibility Criteria	<p><u>Student borrower:</u></p> <ul style="list-style-type: none"> • Is a U.S. citizen or eligible non-citizen. • Is not in default on prior educational loans. • Meets federally defined creditworthiness standards. 	<p><u>Student borrower:</u></p> <ul style="list-style-type: none"> • Has completed a FAFSA. • Has borrowed maximum Federal Stafford Loan offered. 	<p><u>Student borrower:</u></p> <ul style="list-style-type: none"> • Is enrolled at least half-time in a degree program. • Meets Satisfactory Academic Progress requirement.
Creditworthiness	<p>A graduate student borrower cannot be:</p> <ul style="list-style-type: none"> • 90 days or more delinquent on the repayment of any debt; or • The subject of a default determination, bankruptcy discharge, foreclosure, repossession, tax lien, wage garnishment or write-off of a Title IV debt during the last five years. 		
Annual Loan Limit	<p>A graduate student borrower may borrow a maximum of the cost of attendance minus all other aid.</p>		
Fees	<p>There is a 4% loan origination fee which is reduced from the total amount of the loan. There is also an up-front 1.5% origination fee rebate that is retained by the borrower if the first 12 monthly payments are made on time.</p>		
Interest Rate	<p>For all PLUS Loans made after 7/1/06, the interest rate is a fixed 7.9%. Interest starts to accrue after the first disbursement to the student account.</p>		
Repayment Terms	<p>Repayment begins within 60 days of the loan being fully disbursed. Graduate student borrowers may receive additional information regarding repayment options by contacting the Direct Loan Servicing Center at 1.800.848.0979 or at www.dlsonline.com.</p>		
How to Apply	<p>A graduate student borrower may download the Federal Direct PLUS Loan Application & Instructions at www.umb.edu/financial_aid/forms or request this information from Financial Aid Services. Federal Direct PLUS Loan processing begins after July 1 for the upcoming academic year.</p>		



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FEDERAL DIRECT PLUS LOAN APPLICATION & INSTRUCTIONS FOR GRADUATE STUDENTS

Thank you for your interest in the Federal Direct Graduate PLUS Loan Program. In order to review your eligibility and process this loan, please note there are **THREE** separate steps that must be completed by the **graduate student** borrower:

1

Complete the Federal Direct Graduate PLUS Loan Application on the reverse side of this instruction sheet, which will authorize the U.S. Department of Education to perform a review of your credit. Promptly mail or fax the form to Financial Aid Services. The graduate student borrower will receive notification of the credit decision from the U.S. Department of Education by mail.

2

Complete the Federal Direct Graduate PLUS Loan Master Promissory Note (PLUS MPN) online at www.dlenote.ed.gov. The graduate student borrower will be required to use the personal identification number (PIN) assigned by the U.S. Department of Education. If you do not have a PIN or cannot recall it, please visit <http://www.pin.ed.gov> and allow approximately 10 business days to receive it. The Federal Direct PLUS MPN is designed for borrowers to use as a multi-year note. Under the Federal Direct PLUS MPN process, a borrower will sign a Federal Direct PLUS MPN only once. The Federal Direct PLUS MPN is valid and may be used to process subsequent Federal Direct PLUS Loans for up to 10 years after the original Federal Direct PLUS MPN is signed. PLUS borrowers should complete the Master Promissory Note **no earlier than 90 days (July 1)** from the start of the academic year in which they will be borrowing.

3

Complete the Federal Direct Graduate PLUS Loan Entrance Counseling online at www.dlssonline.com. Effective July 1, 2008, all Federal Direct Graduate PLUS Loan borrowers are required to complete Federal Direct Graduate PLUS Loan Entrance Counseling before the disbursement of Graduate PLUS loan funds to the university bill.

Completed Federal Direct Graduate PLUS Loan Applications may be mailed or faxed to Financial Aid Services. Forms may also be delivered in person to the One Stop Student Administrative Service Center (UL, Campus Center). Financial Aid Services will begin to process Federal Direct PLUS Loan Applications after July 1. If you have any questions, please contact Financial Aid Services at 617.287.6300 or finaid@umb.edu.

