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**Federal Direct PLUS Loan  
2006-07  
Information and Instructions**

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**Program Description:**

The Federal Direct Parent Loan for Undergraduate Students (PLUS) is a non-need based federal loan program provided by the William D. Ford Direct Loan Program and administered by the University of Rhode Island. The lender is the U.S. Department of Education rather than a bank or credit union. If you are a parent of a dependent student, a Direct PLUS Loan can help you pay for your student's education. For a more detailed explanation from the Department of Education, refer to their website at:

<http://www.ed.gov/offices/OSFAP/DirectLoan/pubs/parentbasics.pdf>

**Borrower:** Biological parent, adoptive parent, or stepparent. If both parents want to apply, then each parent borrower is required to complete a separate application.

**Determining How Much to Borrow:**

**Annual Loan Limits:**

You may borrow any amount up to the Cost of Attendance (includes tuition, fees, room, board, books and misc. expenses), minus any other financial aid the student may receive.

**PLUS Eligibility Worksheet:**

Use this worksheet and Cost of Attendance figures below, along with information from your Financial Aid Award Letter (if applicable), to assist you in determining the amount of PLUS Loan you may borrow in order to complete question 16 on the **Supplemental Application for Parents and Students**.

**Estimated Cost of Attendance:**

\$ \_\_\_\_\_

In-state students -	\$19,838
Out-of-state students -	\$33,791
Regional students -	\$24,423

**Minus all financial aid received (include any grant, scholarship and/or loan you may receive from any outside source)**

\$\_( \_\_\_\_\_ )\_

**You may borrow up to:**

= \$ \_\_\_\_\_

(over)

## Eligibility Criteria:

Generally, to be eligible for a Direct PLUS Loan, you and your student must fill out a 2006-07 FAFSA and meet the following criteria:

- The student must be considered dependent
- You are the biological parent, adoptive parent, or stepparent of the student for whom you seek the loan
- The student is enrolled at least half-time and making satisfactory progress
- You and the student are U.S. citizens, U.S. national, or permanent residents of the U.S.
- You are not in default on a federal education loan, and you do not owe an overpayment on a federal education grant

## Creditworthiness:

An applicant cannot be:

- 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. If you have an adverse credit history, you are eligible if someone with no adverse credit history (other than the student) agrees to endorse your loan, or if you can document to the Department's satisfaction that you have extenuating circumstances. If you are in default on a loan or owe an overpayment on a grant, you may still be eligible if you've made satisfactory repayment arrangements.

## Fees:

- 4% origination fee

## Interest Rate:

- The fixed rate is 7.9% (effective 7/1/06 through 6/30/07). Visit the website: <http://www.dlssonline.com/qctr/qctr-index.asp?SectionID=Cint%20> for the most current information.

## Repayment Terms:

You will begin repaying your Direct PLUS Loan 60 days after the full amount you've borrowed for a school year has been disbursed. In most cases, you must begin making payments while your student is still in school. Several repayment plan options are available. The Standard Repayment Plan requires a fixed monthly payment (at least \$50) paid over a fixed period of time, up to 10 years. This plan usually results in the lowest total interest paid. However, other plans may extend the repayment period up to 30 years. For more information, visit the Department of Education web site: <http://www.dlssonline.com/qctr/qctr-index.asp?SectionId=FAQU&APageId=QctrFaqaA133>



**Parent Borrower Section (to be completed by the Parent/borrower):**

**Is this your first application for a PLUS loan at URI? Yes  No**

8. Parent Borrower's Name:

\_\_\_\_\_ MI  
Last First

9. Relationship to Student:  Mother  Father  Other \_\_\_\_\_

10. Parent's Address:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip

11. Parent's Home Phone #: \_\_\_\_\_ 12. Parent's Work Phone: \_\_\_\_\_

13. Parent's Date of Birth: \_\_\_\_\_ 14. Parent's SS # \_\_\_\_\_

15. Parent's Email address: \_\_\_\_\_

16. How much PLUS Loan would you like to borrow? \_\_\_\_\_

17. For which term(s) would you like to borrow this amount?  Fall and Spring 2006-07  Fall 2006 only  
 Spring 2007 only  Summer 2007

18. I completed the PLUS Master Promissory Note (MPN):

.....when I applied for the PLUS Loan previously (I am not required to complete it again).

.....online at: <https://dlenote.ed.gov/empn/index.jsp>

19. Parent Borrower's Signature:

\_\_\_\_\_ Date \_\_\_\_\_

***(This must be the same parent/guardian that signed the MPN)***

**Note: All loan proceeds in excess of the student's bill will be refunded to the parent.**

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