







2007–2008 Parent PLUS Loan Guide

This guide will provide you and your parent (the borrower) with information for Federal Parent PLUS Loans, which are a part of the Federal Family Education Loan Program (FFELP). Your electronic Financial Aid Notification (eFAN) will let you know the amount of PLUS that your parent is eligible to borrow.

PARENT PLUS FACT SHEET

<i>Parent PLUS Loan</i>	
Program Description 	PLUS Loans are available to natural or adoptive parents, stepparents or legal guardians of dependent students. Parents may borrow up to the full cost of student's education (each academic year), less any other aid received by the student for that year.
Eligibility 	The borrower (parent) must be a U.S. citizen or a permanent resident in order to qualify. A credit check is required before the lender can determine a borrower's eligibility for parent PLUS. If the borrower does not meet the federal credit requirements, he or she may still be able to receive a PLUS loan, if they apply with an endorser (co-signer). If denied, please contact the lender for instructions on providing an endorser. Free Application for Federal Student Aid (FAFSA) must be completed annually.
Interest Rate ¹ 	For loans disbursed on/after July 1, 2007: 8.50% fixed. Interest starts accruing at disbursement.
Fees ²	3.0% origination fee charged by US Dept. of Education. 1.0% loan default fee charged by the guarantor ³ .
Repayment 	The loan enters repayment within 60 days after the last disbursement. Standard repayment period of 10 can be extended ⁴ . If necessary, the repayment of PLUS principal can be deferred for up to four years. Deferring interest payments does not extend the repayment term of the loan.

¹ Contact the Financial Aid Office or your lender to check interest rates on loans borrowed for different loan periods.

² All fees are deducted from the loan amount prior to disbursement of funds. Please refer to the Preferred Lender List at the end of this guide to see if the fees are waived by the lender or guarantor.

³ UCLA uses EdFund or USAF to obtain guarantees for the lenders on our preferred lender list. Please inquire at the Financial Aid Office to inquire which guarantor works with your lender.



In order for Stafford funds to be disbursed by the lender, loans must be certified before the last day of the academic period for which the loan is offered.

APPLYING FOR A PARENT PLUS LOAN

IF PARENT PLUS LOAN IS DENIED by any of UCLA's preferred lenders, the Financial Aid Office will receive the denial verification automatically and will revise student's financial aid notification (eFAN) to include an Unsubsidized Stafford Loan.



If parent PLUS loan is denied by a lender not on our preferred lender list, the borrower will need to provide verification of PLUS denial to the Financial Aid Office before student's award can be revised to include an Unsubsidized Stafford Loan.



Step 1

- Review your electronic Financial Aid Notification (eFAN) to see how much PLUS was offered.
- Before applying, the borrower will need to select a lender. A list of UCLA's preferred lenders is included at the end of this guide.
- To apply, the borrower will have to contact Sallie Mae at **800-891-1410** or go to <https://opennet.salliemae.com> to apply on line.

Step 2

- *If your parent is a first time borrower at UCLA*, he or she will need to complete a Master Promissory Note (MPN). For lenders on UCLA's preferred lender list, go to <https://opennet.salliemae.com> to complete your MPN. For non-preferred lenders, contact your lender for instructions

Sep 3

- Once the loan is approved and the lender is in possession of the borrower's MPN, the lender will contact UCLA and the Financial Aid Office will certify your eligibility for PLUS loan electronically.

You do not have to borrow a loan through one of UCLA's preferred lenders. If you want to select a different lender, please contact them directly for instructions on how to apply.

PLUS DISBURSEMENTS

The total PLUS loan requested by the borrower will be divided equally among the terms of your enrollment at UCLA. If the borrower applies with one of UCLA's preferred lenders and authorizes electronic disbursements*, PLUS will be disbursed electronically and applied to the student's UCLA BAR account to cover any outstanding charges (i.e. fees). Any funds left after BAR charges are paid, will be refunded to the student. If you choose to work with a lender that does not work with UCLA electronically, PLUS will be disbursed to Student Loan Services via a paper check that will be mailed to the borrower once student's enrollment is verified. Funds disbursed via a paper check will not be applied to BAR to cover outstanding charges.

You must be enrolled at least half time (6 units) in order for your Stafford loans to be disbursed. If you drop below half time enrollment or withdraw from school, you will be billed for all or part of the loan disbursed to you for that term.

* If the borrower does not authorize electronic disbursement of funds, paper checks will be mailed to Student Loan Services at UCLA and sent to the borrower once student's enrollment is verified.



ACCESS TO YOUR LOAN INFORMATION

UCLA uses Sallie Mae's OpenNet platform to originate (process) loans for all of our electronic lenders. OpenNet is a lender neutral platform and its' use is not intended to endorse the use of any specific lender on the list. OpenNet will allow you to:

- Complete and e-sign your Master Promissory Note (MPN)
- Get real-time information on the status of your loans
- Update your demographic information and references
- Print out your MPN for your records or to submit to the lender if you prefer not to e-sign
- Access history of all FFELP loans borrowed while at UCLA.

SELECTING A LENDER

On the following pages, please find a list of lenders who participate in UCLA's electronic process for the delivery of parent PLUS Loans. In order to ensure efficiency and ease of process and to allow for the electronic disbursement of your loan funds, UCLA uses the OpenNet site to originate Stafford Loans for all of our electronic lenders. For your convenience, you can continue to access OpenNet or contact Sallie Mae in the future to obtain information on loans borrowed through any of the lenders listed below.

You can select to borrow from a lender not listed below. If you do, please contact them directly to complete your loan application. Please note that we may not be able to disburse funds electronically for lenders not listed below. Please check with the Financial Aid Office for additional information.

You may contact Sallie Mae to obtain information on any loan borrowed through one of UCLA's preferred lenders:

Sallie Mae Loan Servicing Center
 P. O. Box 147020
 Gainesville, FL 32614-7020
<https://opennet.salliemae.com>
 Phone: 800-891-1410
 Fax: 800-848-1949

Sallie Mae will service your loans during repayment for all of the lenders listed in this guide. Of the lenders listed, CHELA Education Financing and ALL Student Loan Corp. retain ownership of the loans while in repayment while other lenders sell the loans to Sallie Mae. The repayment benefits listed will remain in effect when your loan is in repayment regardless of the sale and/or servicing arrangement between the lender and Sallie Mae. **Borrower benefits are subject to change by the lender without prior notice.**






You have the right to request a cancellation or a reduction of your loan provided that you submit written notification to the Financial Aid Office.

You will be mailed additional information regarding all applicable deadlines. For more information, please contact the Financial Aid Office.

CHOOSING A LENDER – LOOK FOR WAYS TO SAVE

Before you select a lender for your PLUS Loan, please take a look at the different repayment incentives offered by UCLA's Lenders.

NOTE: Interest rate is fixed at 8.5%. Loan fees, if applicable (see below), are deducted from each disbursement.

<p>Nellie Mae (829076)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p>Fees: 3% origination fee.</p> <p><i>For loans guaranteed before 02/01/08:</i> 2.4% loan credit after making the first 24 payments as initially scheduled. 0.75% interest rate reduction after the first on-time payment made as initially scheduled. To qualify for these benefits the borrower must sign up for Manage Your Loans at www.salliemae.com/manage.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 1.25% loan credit after making the first 12 payments as initially scheduled. To qualify for these benefits the borrower must sign up for Manage Your Loans at www.salliemae.com/manage. 0.25% interest rate reduction for auto-debit.</p>
<p>Bank of America (806746)</p> 	<p>Fees: 3% origination fee.</p> <p>3% principal rate reduction after making 36 payments on-time: 1% principal rate reduction after making payments 1-12, 1% principal rate reduction after making payments 13-24, 1% principal rate reduction after making payments 25-36. 0.25% interest rate reduction with ACH debit from any checking or savings account. 45 day grace period.</p>
<p>ALL Student Loan Corp. (833752)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p>	<p>Fees: 3% origination fee.</p> <p>2.25% interest rate reduction at repayment (includes a 1.00% interest rate reduction for on-time payments and a 1.25% interest rate reduction for automatic debit payments). \$10,000 aggregate balance required.</p>
<p>AMS (833067)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p> 	<p>Fees: 3% origination fee.</p> <p><i>For loans guaranteed before 02/01/08:</i> 3.75% loan credit after making the first 12 payments as initially scheduled. 0.50% interest rate reduction after the first on time payment made as initially scheduled. To qualify for loan credits, the borrower must sign up for Manage Your Loans at www.salliemae.com/manage</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 1.75% loan credit after making the first 36 payments as initially scheduled. To qualify for loan credits, the borrower must sign up for Manage Your Loans. 0.40% interest rate reduction for auto-debit.</p>
<p>Sallie Mae Education Trust (802218)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p>  	<p>Fees: 3% origination fee.</p> <p><i>For loans guaranteed before 02/01/08:</i> 0.50% interest rate reduction after the first on time payment. To qualify, the borrower must sign up for Manage Your Loans at www.salliemae.com/manage. 0.75% interest rate reduction for auto-debit.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 0.70% interest rate reduction for auto-debit.</p>

<p>CHELA Education Financing (833953)</p>	<p><i>For loans disbursed before 10/01/07:</i> Fees: 3% origination fee and 1% loan default fee. CHELA will rebate 3% origination fee back to the borrower in the form of payment to principal after the loan is fully disbursed. 0.75% interest rate reduction at repayment. Additional 0.25% interest rate reduction for auto debit of loan payments. To qualify, PLUS borrowers must have a minimum loan balance of \$7500. The benefit is lost if the account becomes 30 days past due.</p> <p><i>For loans disbursed on/after 10/01/07:</i> Fees: 3% origination fee and 1% loan default fee. CHELA will forgive the last five payments on your loan after all previous payments are made on time (no more than 3 days past the scheduled due date). Additional two last payments will be forgiven for using auto-debit to make your loan payments. To qualify, you must sign up for e-correspondence and complete exit counseling at www.nelnet.com. If prepayment exceeds more than three times the value of regularly scheduled payment, the last five payment s will not be waived.</p>
<p>Sun Trust (820564)</p> <p><i>For loans disbursed on/after 06/01/07.</i></p>	<p>Fees: 3% origination fee. 1% additional loan default fee for loan guaranteed or first disbursed after 01/01/08.</p> <p><i>For loans guaranteed before 02/01/08:</i> 2% loan credit after making the first 24 payments as initially scheduled. 0.50% interest rate reduction after the first on time payment as initially scheduled. To qualify, borrower must sign up for Manage Your Loans at www.salliemae.com/manage. 0.50% interest rate reduction for auto-debit.</p> <p><i>For loans guaranteed on/after 02/01/08:</i> 1.50% loan credit after making the first 12 payments as initially scheduled. To qualify, borrower must sign up for Manage Your Loans at www.salliemae.com/manage. 0.25% interest rate reduction for auto-debit.</p>
<p>Wachovia Education Finance (811323)</p>	<p>Fees: 3% origination fee.</p> <p>Receive three rebates up to 3.50% of the original loan amount. To qualify, borrowers must make consecutive, on time payments using auto debit from their bank account. Borrowers can receive an immediate 1.00% rebate at the start of repayment, another 1.00% after the first 12 payments and additional 1.5% after the first 24 payments. Triple Payback rebates are automatically credited to the outstanding loan balance. Alternatively, the borrower may request cash rebates totaling up to 3.5% of your original loan amount.</p>
<p>Chase Education Finance (811925)</p>	<p>Fees: 3% origination fee. 1% default fee.</p> <p>2% loan credit after making the first 12 payments as initially scheduled. Additional 2% loan credit after making 24 payments as initially scheduled. To qualify for loan credits the borrower must sign up for Manage Your Loans. 0.25% for auto-debit. <i>No repayment incentives for loans guaranteed on/after 02/01/08.</i></p>