







2008–2009 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 who are enrolled at least half time (6 units). 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.

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

⁴ Please contact your lender to find out about various PLUS repayment options.



In order for loan 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 electronic 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 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.



- Review your electronic Financial Aid Notification (eFAN) to see how much PLUS was offered.
- Before applying, the borrower will need to select a lender. Please refer to 'Selecting a Lender' section on page 3 for additional information on your lender options.
- To apply with one of UCLA's electronic lenders, the borrower will have to contact Sallie Mae at **800-891-1410** or go to **<https://opennet.salliemae.com>** to apply on line.
- *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 electronic lender list, go to **<https://opennet.salliemae.com>** to complete your MPN. For other lenders, contact your lender for instructions on how to apply.
- 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 the PLUS loan.

You do not have to borrow a loan through one of UCLA's electronic lenders. If you want to select a different lender, enter the lender's name on the eFAN and your loan will be processed via a manual process and disbursed via paper checks each quarter.

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 electronic lenders and authorizes electronic disbursements*, PLUS will be disbursed via EFT 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

In order to facilitate the application process for our borrowers and to allow for electronic disbursement of funds, UCLA has set up an electronic process with various partners listed on the electronic lender list, which you can access at:

<http://www.fao.ucla.edu/publications.html>

Listing of the lenders on the eFAN and our electronic lender list is not a guarantee of their benefits or an endorsement of their services.

You do not have to borrow from one of the electronic lenders listed. If you prefer to borrow from a lender with which we do not work with electronically, please contact them directly to complete your loan application. Please note that we will not be able to disburse funds electronically for lenders that do not participate in UCLA's electronic process. 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

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.