



This guide will provide you (the borrower) with information for Federal Graduate PLUS Loan. UCLA works with private lender partners to deliver federal loans under the Federal Family Education Loan Program (FFELP). For 2009-2010 UCLA will not participate in the Direct Lending Program (DLP), which offers federal loans through the Department of Education. Your electronic Financial Aid Notification (eFAN) will let you know the amount of PLUS Loan that you are eligible to borrow.

Before you decide to accept a federal PLUS Loan, please read this guide.

Graduate PLUS Fact Sheet

Graduate PLUS Loans	
Program Description	PLUS Loans are available to graduate students enrolled at least half time (4 units) who have borrowed the allowable maximums from the Stafford Loan Program. Students may borrow up to the full cost of education for the academic year less any other aid received for that year.
Eligibility	The borrower must be a U.S. citizen or a permanent resident in order to qualify. A credit check is required before the lender can determine your eligibility for PLUS. If you do not meet the federal credit requirements, you may still be able to receive a PLUS loan applying 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	8.50% fixed. Military borrowers who performed military service on/after 08/14/08 may request (under the Service Members Civil Relief Act) an interest reduction to 6% by contacting their lender. Interest starts accruing at disbursement.
Fees *	3% Origination fee charged by US Dept. of Education. Up to 1.0% loan default fee charged by the guarantor.
Repayment	No payments due while student is in school. Loans first disbursed prior to 07/01/08 will enter repayment 60 days after dropping below half time enrollment. Repayment can be postponed to align PLUS and Stafford payments by filing forbearance request with the lender. Loans first disbursed on/after 07/01/08 are eligible for an automatic 6 month deferment after dropping below half-time enrollment. Standard repayment period of 10 can be extended. Please contact your lender to discuss different payment plan options.

**In order for loan funds to be disbursed by the lender, federal loans must be certified before last day of the enrollment period, for which the loan is offered.
If you are planning to accept a federal loan, please submit your eFAN to the financial aid office at least 5 business days before the end of the term, in which you are enrolled.**

* Loan fees are deducted from each disbursement prior to the disbursement of funds by the lender.

Graduate PLUS Credit Requirements

Because Graduate PLUS is a federally guaranteed loan, the credit requirements used by the lenders to approve eligibility are much less stringent than requirements for a line of credit or a consumer loan. Credit requirements used for Graduate PLUS are:

- No delinquencies of 90 days or more on repayment of any debt.
- No debts discharged in bankruptcy during the past 5 years.
- No evidence of default, foreclosure, tax lien, repossession, wage garnishment or write-off of Title IV financial aid debt during the past 5 years.

If your Graduate PLUS application is denied for credit reasons, you may be approved if you apply with an endorser. Please contact your lender for instructions on how to apply with an endorser.

Applying for a Grad PLUS Loan

Accept the Loan — Accept the loan offered to you on your electronic Financial Aid Notification (eFAN). If you would like to borrow less than the amount offered, indicate the amount you want to borrow in the space provided on the eFAN. If you do not need to borrow all of the loans offered to you, borrow maximum Stafford for which you are eligible before accepting a Graduate PLUS Loan.

Select a Lender — Review the [Graduate PLUS Lender List](#) (a link is included on your eFAN) and indicate your lender choice on the eFAN drop-down menu. The lenders on the eFAN drop-down menu are set up for electronic certification and disbursement process at UCLA. **You do not have to borrow from one of the electronic lenders on UCLA's lender list.** If you prefer to borrow from a non-electronic lender, select 'Other Non-Electronic Lenders' on the lender menu and type in the name of your lender when instructed. Refer to "Selecting a Lender" section on page 3 of this guide for additional information about selecting your lender.

Complete a Master Promissory Note (MPN) — If you are a new borrower or if you decide to borrow through a different lender than in the past, you must complete a Master Promissory Note with your lender. Please refer to UCLA's [Graduate PLUS Lender List](#) for links to our lenders (The links are also provided on the eFAN 'Thank You' page). If you select a lender not on UCLA's Lender List, please contact them directly for instructions on how to complete an MPN. Once completed, the MPN is valid for 10 years so continuing lenders do not have to complete one each year.

Complete a Debt Management Session (DMS) — *If you are a first time borrower at UCLA or if you are a continuing borrower who last took out loans before 08-09 academic year;* you must complete a Debt Management Session before Graduate PLUS Loan will be disbursed. To satisfy the DMS requirement go to www.loans.ucla.edu in order to complete your session on line. If you have any questions about this requirement, please contact Student Loan Office at 310-825-9864.



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



Loan Disbursements

The total loan amount you accept on your eFAN will be divided equally among terms, for which you have been awarded. If you apply with one of UCLA's electronic lenders, your loan will be disbursed via Electronic Funds Transfer (EFT) and applied to your UCLA BAR account at the beginning of each term. Any funds left after BAR charges are paid, will be refunded to you. If you choose to work with a lender that does not work with UCLA electronically, your loan will be disbursed via a paper check that will need to be picked up from Student Loan Services each term.

You must be enrolled at least half time (4 units) in order for your 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(s) disbursed to you for that term.

PLEASE NOTE: If your loans are not disbursed because of non-enrollment, insufficient units or holds on your account, Student Loan Office will return all loan funds within 10 business days of receiving them from the lender, in order to stay in compliance with federal regulations. If your loans are returned to the lender, the Financial Aid Office can request reissue of your disbursements *per request from the borrower*. The reissue process will take 2-3 weeks.

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 electronic processes with various partners listed on our Lender List.

You can access UCLA's Lender List at <http://www.fao.ucla.edu/publications.html>. In addition to viewing the benefits offered by each of the lenders, please refer to the list for the loan fee information, contact information for your lender and information on who will service your loan. It is very important that you know not only which lender will originate and disburse your loan but also who will be your point of contact while your loan is serviced after it is fully disbursed and during repayment.

Listing of the lenders on the lender list is does not constitute the guarantee of benefits offered as the benefits are subject to change without notice, at lender's discretion. To verify benefits being offered, please contact your lender directly.

You do not need to borrow from one of the lenders listed on UCLA's Lender List. If you prefer to borrow from a lender with which we do not work electronically, please contact them directly to obtain benefits information and application instructions.

If you want to accept a portion of your loan for a single term of enrollment, please notify the Financial Aid Office. Any loan amount accepted on the eFAN will be split equally among all terms, for which you have been awarded.

If you have additional questions about the Stafford Loan, please contact the Financial Aid Office at 310-206-0400 or finaid@saonet.ucla.edu

If you have questions about the Debt Management Session, please contact Student Loan Office at 310-825-9864.

