



**FEDERAL DIRECT GRADUATE PLUS
(GRAD PLUS)
LOAN APPLICATION
2011-2012**

UNIVERSITY OF SOUTH ALABAMA

Federal Direct Grad (PLUS) Loan Application

Academic Year 2011-2012 & Summer 2012

- Eligibility:**
- A Grad PLUS applicant must complete and submit the Free Application for Federal Student Aid (FAFSA) before applying for a Direct Grad PLUS Loan.
 - A Grad PLUS applicant is not required to receive Direct Subsidized Loan and/or Direct Unsubsidized Loan funds as a condition for receiving a Direct Grad PLUS Loan.
 - A Grad PLUS applicant is required to be enrolled at the University of South Alabama at least half time.
 - A Grad PLUS applicant must meet the University of South Alabama's Satisfactory Academic Progress Standard as defined in the *Bulletin*.
 - A Grad PLUS application decision of approval or denial is based on credit score standards determined by the U.S. Department of Education.
- Application Process:**
- Submit the original completed University of South Alabama Federal Direct Grad PLUS Application to Student Financial Aid.
 - **We cannot accept any information submitted by fax.**
 - All paper correspondence regarding this loan, both from our office and the Department of Education's Direct Loan Servicing Center, will be mailed to your mailing address on file at the University of South Alabama.
 - Processing of the Grad PLUS application will begin once eligibility for federal financial aid has been determined AND we have received your completed Grad PLUS Loan application.
 - Incomplete applications must be resubmitted entirely.
- Credit Worthiness:** To be eligible for the Federal Direct Grad PLUS Loan, the applicant cannot have adverse credit, which can include: (1) 90 days or more delinquency on the repayment of any debt; or (2) 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.
- Credit Check:**
- The Department of Education performs a credit check and notifies our office with a loan approval or denial. The University of South Alabama will not see any information contained in your credit report.
 - Any previous credit decision (approval or denial) has no bearing on the credit decision made this year.
 - If you request a loan for more than one loan period, your credit record may be accessed more than one time.
- Interest Rates:** Federal Direct Grad PLUS Loans have a fixed interest rate of 7.9%, which begins to accrue at the date of disbursement. A 4% origination fee is charged at disbursement. There is also an upfront 1.5% origination fee rebate that is retained by the borrower if the first 12 monthly payments are made on time.
- Approved Loans:**
- If the Grad PLUS Loan is approved, your information will be updated on PAWS indicating the amount awarded each term. If you have not already completed the Federal Direct Grad PLUS Master Promissory Note (MPN), you may do so at www.studentloans.gov.
 - An approval letter will be sent to the borrower from the Federal Direct Loans office.
 - You must complete entrance counseling for the Grad PLUS loan online at www.studentloans.gov.
- Annual Loan Limit:** A borrower may borrow a maximum of the cost of attendance minus all other aid.
- Repayment:** Repayment of the Federal Direct Grad PLUS Loan begins within 60 days after the final loan disbursement, unless the student is enrolled at least half time. For information about repayment terms/rates, and other terms of the Grad PLUS Loan, contact: Borrower Services, Direct Loan Servicing Center at 1.800.848.0979, or at www.studentloans.gov.
- Denied Loans:** If denied, you will be notified by the Federal Direct Loans office. By contacting Direct Loan Application Services directly at 1.800.557.7394, you may: (1) dispute your credit report; (2) clear up "adverse" items; and/or (3) obtain paperwork for an eligible endorser.
- Rights:** The information on this application may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to parties that The U.S. Department of Education authorizes to assist them in administering the Federal Student Aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other Federal agencies.

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Academic Year 2011-2012 & Summer 2012

Completion of this form does not guarantee a Grad PLUS Loan. Please read all information contained on this form before signing. The Master Promissory Note must be completed online at www.studentloans.gov, by selecting "Complete New MPN for Student Loan", and then "Graduate". Entrance counseling must be completed online at www.studentloans.gov.

Student Last Name _____ First Name _____ M.I. _____

Social Security Number _____ Date of Birth ____/____/____ JAG # _____

Permanent Address _____

City _____ State _____ ZIP _____

Telephone _____ E-mail address (optional) _____

Are you a U.S. Citizen? Yes No, but I am an eligible non-citizen Resident Alien Number A _____

Loan Request Information — To be completed by student borrower:

Select the terms for which you would like to apply and the amount of loan funds you would like to request. (CHOOSE ALL THAT APPLY.)

- | | | | |
|--|--|----|--|
| <input type="checkbox"/> Fall 2011 & Spring 2012 | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Fall Only 2011 | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Spring Only 2012 | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |
| <input type="checkbox"/> Summer 2012 | <input type="checkbox"/> Maximum Eligibility | OR | <input type="checkbox"/> Specific Loan Amount Requested \$ _____ |

NOTE: Loan amount is subject to Cost of Attendance limitations.

Grad PLUS denial Due to Adverse Credit Decision — To be completed by student borrower:

If the Federal Direct Grad PLUS Loan is denied by the Department of Education due to an adverse credit decision, (CHOOSE ONE)

- I will either appeal the credit decision directly with the Department of Education or obtain a credit-worthy endorser.
- I do not plan to either appeal or apply with an endorser.

Student's Certification/Statement of Educational Purpose

I certify that I do not owe a refund on any grant or loan, am not in default on any loan or have made satisfactory arrangements to repay any defaulted loan, and have not borrowed in excess of the loan limits under Title IV programs at any institution. I will notify The University of South Alabama if I default on a federal student loan. I will use all Title IV money received only for expenses related to my study at the University South of Alabama.

Credit Record Authorization

I consent to allow the U.S. Department of Education and its agents to obtain a report of my credit record and use the information from that report in determining whether to award a Federal Direct Grad PLUS Loan to me. I understand that I will be notified in writing of the credit check results by the Federal Direct Loans office with respect to my loan application. I understand that if I applied for multiple loan periods, my credit record may be investigated more than one time.

Authorization to Credit Student Account and Release Excess Funds

I authorize the University of South Alabama to disburse Federal Direct Grad PLUS Loan funds to my student account. I authorize these funds to be credited for tuition, room, board and other charges. I authorize the release of excess funds. Unless cancelled, this authorization remains in effect for future disbursements as long as I am enrolled at the University of South Alabama.

Repayment Responsibilities

Repayment will begin 60 days after the full amount borrowed for a school year has been disbursed unless I am enrolled at least half time.

Student's Signature

_____/_____/_____
Date

MAIL COMPLETED APPLICATION TO:

Financial Aid Office

Meisler Hall Suite 1200

390 Alumni Circle

Mobile, AL 36688-0002

finaid@usouthal.edu

Telephone: 251-460-6231

Website: www.southalabama.edu/finaid

No information submitted by fax will be accepted.

