

Rhode Island College
Office of Student Financial Aid
Fact Sheet for Federal Direct Parent PLUS Loan

Who is eligible to apply for the Federal Direct Parent PLUS Loan?

The **Federal Direct Parent PLUS Loan** is available to parents (eligible parents include the stepparent, if listed on the FAFSA, the biological, or adoptive parents) of dependent undergraduate students to assist in supporting their financial aid award.

How do I apply for a Federal Direct Parent PLUS loan?

To apply for the Federal Direct Parent PLUS Loan please submit the 2020-2021 Federal Direct PLUS Loan Request Form and return the completed form to the Office of Student Financial Aid located in Building 3, East Campus. You may also fax it over to (401)456-8686. *Please fill out application as legibly as possible and complete entire form.*

What can the Federal Direct Parent PLUS Loan be used for?

The loan can be used to cover educational expenses not met by the student's financial aid award.

How much can we apply for?

The maximum Federal Direct Parent PLUS loan amount a student can receive is the cost of attendance (determined by the institution) minus any other financial aid received.

What is the interest rate?

The fixed interest rate for Federal Direct Parent PLUS loans for 2020-21 is 7.08% with an origination fee of 4.2%.

Requirements:

- Student must be in a degree program, making Satisfactory Academic Progress, and enrolled at least half-time (6 credits or more).
- Student must have submitted a valid FAFSA for the academic year.
- The Federal Direct Parent PLUS Loan is subject to a credit check. In the event of adverse credit, the borrower may appeal the credit decision by contacting the Student Loan Support Center at 1800-557-7394. If your credit decision is then approved, please notify our office.
- **If parent is approved** for the Federal Direct Parent PLUS loan, **parent must complete a (Loan agreement for Parent Plus Loan) at <https://studentaid.gov/>** with their FSA ID and password, otherwise the loan will not disburse into the student's account.
- **If parent is denied** student may be eligible for limited unsubsidized loans.

What is the repayment process?

Repayment of the PLUS Loan begins within 60 days after disbursement into student's account. The parent borrower is responsible for repayment of the loan. Parents can apply to have payments deferred after the loan disbursed. For more information about deferment of payments or repayment, please contact the Student Loan Support Center at 1800-557-7394.

Office of Student Financial Aid
600 Mount Pleasant Ave
Providence, RI 02908
401-456-8033
Fax: 401-456-8686

2020-2021 Federal Direct Parent PLUS Loan Request Form

Return completed form to the Office of Student Financial Aid*.

This form will not be processed until we have a valid 2020-2021 FAFSA on file for the student (<https://studentaid.gov/h/apply-for-aid/fafsa>). We will begin processing academic year applications after **July 15th, 2020**. *All fields must be complete and answers must be legible or the form will be returned to you.*

Student Name

Student Social Security Number

Student Date of Birth

Parent Borrower Information

Name: _____ Gender: _____

Social Security Number: _____ Date of Birth: _____

Citizenship Status: U.S. Citizen _____ Eligible Non-Citizen (please provide copy of I-151, I-551 or I-94 card) _____

Home Address: _____

Street

City

State

Zip Code

Phone Number: _____ Email address: _____

Loan Amount and Loan Period

Requested Loan Amount (you must specify an exact amount or we cannot process form): \$ _____

** See other side of page for more information about the loan fee.*

Loan Period (Please note the PLUS loan cannot be used for a past due balance):

Check only ONE:

Summer 2020 _____ Academic Year (Fall/Spring) _____ Fall 2020 Only _____ Spring 2021 Only _____

Borrower Consent

By signing this document, I consent to the U.S. Department of Education and its agents obtaining a credit report and using the information from that report to determine my eligibility for a Federal Direct PLUS Loan. If approved I understand I need to sign a **Loan Agreement for the Parent Plus Loan (MPN)** with the U.S. Department of Education before the loan is finalized.

In order to **finalize your loan** you must go online to <https://studentaid.gov/> to sign a **Loan Agreement for the Parent Plus Loan (MPN)**. **The MPN must be completed within 60 days of the loan being approved or the loan request will be cancelled.**

Parent Signature: _____ Date: _____

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