Boston University School of Medicine
Division of Graduate Medical Sciences

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BOSTON UNIVERSITY

SUMMER 2018
DIRECT PLUS LOAN FACT SHEET
FOR GRADUATE STUDENTS

The Graduate Federal Direct PLUS is a federal credit-based loan, which is available to assist students with the costs of higher education. The student borrower must pass the PLUS loan credit check review and cannot have an adverse credit history. The student borrower must be a citizen or permanent resident of the United States. The student must be enrolled for at least 6 credit hours in a degree-granting program. The credit hours must be accepted towards his/her degree program. Repeat classes cannot count towards the credit hour requirement. An enrolled student must be making satisfactory academic progress and have no outstanding balance due from a prior period of enrollment at Boston University.

During the 2017/2018 academic year, the interest rate was established at 7.00%, fixed for the life of the loan. The specific interest rate that a borrower is charged will be included in a disclosure statement that is sent out after the first disbursement of the loan. Interest begins to accrue on the date of the first loan disbursement.

Repayment for the Graduate Federal PLUS loan begins 60 days after you have received the last installment of the loan. However, as long as you are enrolled at least half-time (6 credits), you will be granted a deferment that allows you to postpone payments while you are continuing your education. Your account will be placed in an in-school deferment status. There is no grace period for the PLUS loan, so you will be expected to begin repayment as soon as your deferment ends. Your Loan Servicer will notify the student of his/her payment start date between 30-60 days before the deferment period ends.

Students may annually borrow a Direct PLUS up to the cost of the student's education less any financial aid the student is receiving. However, students are strongly urged to borrow no more than they are able to repay. A loan fee of 4.264% will be deducted from the loan prior to disbursement.

Loan eligibility cannot be determined until the student is registered for the Summer Session(s). It is important that your loan request be submitted as soon as possible after your registration is finalized. Your application will take approximately seven to ten business days to review.

How Do I Apply?

1) Complete the Free Application for Federal Student Aid (FAFSA) online at *fafsa.gov*, if you have not already done so.

- Submit the 2018/2019 FAFSA if you are a NEW student, a student who received federal student aid during Summer Term 2017 or a student who is enrolling in classes that begin on or after 07/01/18.
- Your 2017/2018 FAFSA information may be utilized if you are a current student, received federal aid for the 2017/2018 academic year and wish to apply for a summer loan.

2) Complete the Summer 2018 PLUS Request Form. This form authorizes the U.S. Department of Education to perform a credit review.

3) Special loan counseling is required for any student who has an adverse credit history but qualifies for the Graduate PLUS loan through the reconsideration process or by obtaining an endorser for the loan. The loan counseling requirement must be completed online at *studentloans.gov*.

The student will be notified by the Department of Education if the student needs to complete special loan counseling.

4) Prior borrowers who completed a PLUS promissory note for the 2017/2018 academic year are not required to complete a new PLUS promissory, unless an endorser was required to secure that loan. First time borrowers and all other borrowers are required to complete a new PLUS promissory note.

To complete the PLUS promissory note, the borrower does so online at *studentloans.gov*. The borrower will be required to use his/her FSA ID to complete the online promissory note. If the borrower does not have a FSA ID, the borrower can create one when logging in to *studentloans.gov*. Boston University will be notified within 3-5 business days that you have completed your promissory note online. Failure to complete the promissory note at least two weeks before the end of the summer loan period may result in cancellation of the loan.

5) All first time borrowers must complete entrance counseling for the Graduate Federal Direct PLUS loan. The requirement may be completed online at *studentloans.gov*. Entrance counseling must be completed before loan eligibility can be finalized and before funds can be disbursed to Boston University.

In order to receive loan funds, all above requirements, including a positive credit check review, must be successfully processed and approved before the student's last day of the summer enrollment period.

Consortium Agreements

If you are enrolled in a degree program at Boston University and take classes at a different institution, you must have a **Consortium Agreement** completed by two parties: (1) Financial Aid Office at the institution you are attending during the summer and (2) your school's academic office at Boston University. The completed Consortium Agreement should be forwarded to the BU Financial Assistance with your Graduate Direct PLUS Request Form. The consortium agreement must be submitted **at least 3 weeks** before the end of your summer classes in order for Boston University to review your summer loan request.

If you are enrolled in a degree program at another institution and take classes at Boston University, you may be eligible for a summer Direct Loan. You should first check with your home institution (where you are matriculated as a degree candidate) to see if your home institution will process the summer loan. If they are unwilling, you may submit your request for a summer loan to Boston University along with a Consortium Agreement completed by your home institution.

SUMMER 2018 DIRECT PLUS REQUEST FORM FOR GRADUATE STUDENTS

(Please PRINT and COMPLETE the Loan Request form below and submit it to your Graduate Financial Aid Office.)

I, the **student borrower**, authorize the U.S. Department of Education to check my credit history for the purpose of determining my eligibility for the Federal Graduate PLUS loan for Summer Term 2018 and to report information about my loan eligibility to persons and organizations permitted by law to receive that information. I understand that I will be notified in writing of the results of the credit review with respect to my loan application.

Default Certification: If you are in default on any loan received under the Direct Loan, the Federal Family Education Loan or the Federal Perkins Loan Programs (including the National Direct Student Loans), you are not eligible to receive a Graduate PLUS Loan unless you have made satisfactory repayment arrangements with the loan holder to repay the amount owed. Check the box below to certify that you meet this requirement.

☐ I am not in default on a loan received under the programs listed above, or if I am in default, I have made satisfactory arrangements with the loan holder to repay the amount owed.

The borrower wishes to apply for a Graduate Direct PLUS Loan in the amount of $_____ based on the summer registration listed below.

Number of credits: Summer Session I _____ Summer Session II _____

Any funds anticipated for Summer 2018 from a source other than this loan:

Source _____ Amount $ _____
Source _____ Amount $ _____

PLEASE PRINT FULL LEGAL NAME EXACTLY AS IT APPEARS ON THE PROMISSORY NOTE.

_____-_____-_____
Student's Social Security Number

_____
Student's First Name | Student's Middle Initial | Student's Last Name

_____-_____-_____
Student's Date of Birth (mm/dd/yyyy)

Student's Permanent Address:

_____
Street Name

_____
City | State | Zip Code

Student's Citizenship Status (check one)
(1) ___U.S. Citizen or National
(2) ___Permanent Resident or Other Eligible Non-Citizen
If (2), alien registration No. _____

_____ _____
Student's Phone Number | Student's Email Address

Boston University Financial Assistance must be notified if any of the above information changes. A change in registration may reduce or eliminate any eligibility for the Graduate PLUS, which may result in a balance due the University.

_____ _____
Student's Signature: Date: | BU Identification Number