

Parent Loan Pre-Application

REQUEST FOR FEDERAL DIRECT PLUS LOAN AND CONSENT TO OBTAIN CREDIT REPORT Parent: please complete all required fields or application will be returned to you unprocessed.

I consent to the U.S. Department of Education and its agents obtaining a report of my credit record and using the information from that report to determine whether to make a Direct PLUS Loan to me. I understand that I will be notified of the results of the credit check with respect to my loan application.

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|---|-------------------------|------------------------|---|
| *Last Name | * First Name | MI *Social Secur | rity Number |
| | / | / | / |
| *Street Address | City | *State | *Zip Code |
| | 1 | 1 | |
| * Home Phone Number | Work Number | I | Email |
| *Citizenship Status: | | | |
| U.S. Citizen or U.S. National | <u></u> | Permanent Resident | |
| | | Alien Registration Num | ber |
| * D. 4 CD* .4. (MM//DD/8/3/3/3/) | Delan Illino N | | D.' |
| * Date of Birth (MM/DD/YYYY) | Driver License No | umber | Driver License State |
| *Amount of PLUS loan requested: | | | (Specific dollar amount required) |
| Maximum amount is the Cost of As amount requested. This is fee that | | | lude the origination fee of 4.292% in the |
| *Loan Period (Check all that apply): | Fall OnlyS _I | pring OnlySum | mer Only |
| | Fall/Spring | Fall/Spring/Summer | |
| | | | |
| | | | |

*Denotes Required Fields - Request will not be processed if left incomplete.

Please complete this form along with the signed student aid award letter and return to the financial aid office

PRIVACY DISCLOSURE NOTICE

The privacy Act of 1974 (5U.S.C.552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is §451 et sec. of the Higher Education Act of 1965. as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Direct PLUS Loan. The information in your file 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 federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that in order to receive any grant, loan, or work assistance under the Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

IMPORTANT INFORMATION ABOUT THE PLUS LOAN PROCESS

The Federal Direct Parent Loan for Undergraduate Student (PLUS) is a loan for the natural parent or adoptive parent. A stepparent may be eligible to borrow if income and assets were reported on the Free Application for Federal Student Aid (FAFSA). The first step in applying is to complete the Free Application for Federal Student Aid (FAFSA) for the appropriate year. A parent can borrow the total estimated cost of attendance less the student's total financial aid (see student's award letter). If more than one parent wants to borrow a parent loan for the same student, each parent must complete a separate PLUS Loan Pre-Application and electronic Master Promissory Note (MPN).

PLUS Loan Pre-Application and Master Promissory Note (MPN)

There are three steps involved in applying for the PLUS Loan.

1. Complete form (front of this page): <u>Parent Loan Pre-Application</u> REQUEST FOR FEDERAL DIRECT PLUS LOAN AND CONSENT TO OBTAIN CREDIT even if you have already completed the MPN

In order to prevent delays in processing your application please make sure to complete your Pre-Application carefully. Frequent causes of delays in processing include; missing information (citizenship, address information, no amount requested), incorrect information (wrong social security number, or incorrect citizenship information), and not signing the Pre-Application.

- 2. Apply for a Department of Education pin number: http://pin.ed.gov/ (if you do not already have a pin number). (Parent may already have a pin if they used one to complete the student's FAFSA application)
- 3. If you have not already done so complete a new MPN for the PLUS Loan on the Direct Loan website https://studentloans.gov

The information we receive on this form will be used to create your parent loan. The promissory note you complete is a master promissory note and will serve as your promissory note for any parent PLUS loans this year as well as the promissory note for future loans. Direct Loans will notify us when you have completed the MPN. To increase the PLUS loan the borrower can send a signed, dated letter with the student's name, ID, and specific dollar amount of the increase to our office. No letter can be accepted without the specific dollar amount of the increase.

Credit Checks

In order to borrow a PLUS Loan, the parent has to pass a credit check. Once we have received the Pre-Application and the MPN, the Direct Loan Servicing Center will perform the credit check and notify you and us as to the results. If you have questions about the outcome of the credit check, contact Direct Loan Applicant Services at 1-800-557-7394.

Denied Credit Checks

If you do not pass the credit check, there are three options available to you.

You can work with Applicant Services at 1-800-557-7394 if you believe there was an error made on your credit check. You can obtain a creditworthy endorser. The endorser would need to pass the credit check, agree to endorse the promissory note, and agree to repay the loan if you would fail to do so.

If you do not pass the credit check (declined) the student can borrow an unsubsidized loan in the student's own name. Freshmen and sophomores (0 to 59 hours) can borrow up to \$4,000 and juniors and seniors (60 or more hours) can borrow up to \$5,000 for the school year.

When we are informed by the Federal Direct Loan Servicing Center that the PLUS Loan has been denied, we automatically send the parent borrower a PLUS Credit Check letter. This letter instructs you to tell us what option you are pursuing.

DISBURSMENTS

U. S. Department of Education regulations state that federal aid may be disbursed no earlier than 10 days before the start of the semester for which the aid is awarded. In addition, Fall/Spring PLUS loans must be disbursed in at least two disbursements and no installment will be greater than the loan amount. The second disbursement of a two-semester loan may not be earlier than 10 days before the start of the second semester.

REPAYMENT

You will begin repaying your PLUS loan 60 days after the full amount you have borrowed for a school year has been disbursed. While you are enrolled in school on at least a half-time basis, you are eligible for an in-school deferment that allows you to postpone payments on your Direct Plus Loan until you graduate or drop below half-time status. You must contact Borrower Services at 1-800 848 0979 for information.

Additional Information

Extensive information is available on the Direct Loan web site. **https://studentloans.gov/**. {On the web site choose "Direct Loan Overview" and then scroll to "Parents" and Select .All of your questions will be answered there}.

Please return the completed form to the Financial Aid Office at the Campus you plan to attend:

Lincoln College 300 Keokuk Street Lincoln, IL 62656-1630 Phone: (217) 732-3155 x231 Fax: (217) 735-9016 Lincoln College - Normal 715 West Raab Road Normal, IL 61761 Phone: (309) 268-4318 Fax: (309) 452-8162