

SUMMER SESSION 2008 FEDERAL PARENT PLUS LOAN

The University of Virginia participates in the Federal Family Education Loan Program (FFELP) Loan for Undergraduate Students (PLUS) Program. The Federal PLUS Program is a non-need based, low-interest loan made to parents of dependent undergraduate students. Parents may borrow an amount up to the cost of attendance less any financial assistance. When calculating the amount you wish to borrow, please consider all expected expenses for the entire summer session. It is easier to reduce your loan later, if you overestimate. **Also, please note that each new loan you receive requires a separate payment each month.** The interest rate is fixed at 8.50%, but the lenders may offer a better rate. Repayment begins 60 days after the full disbursement of the loan. Parents or legal guardians must be U.S. citizens or permanent residents to apply for the loan.

Application Process

1. The Student must complete a University of Virginia Summer Session Financial Aid Application.
2. Parents interested in applying for PLUS Loan funds should complete the UVA Parent PLUS loan application and return it to: Student Financial Services PO Box 400204 Charlottesville, VA 22904-4204. Upon receipt of this application, Student Financial Services will certify the loan.
3. A Master Promissory Note and further instructions will be mailed to you by the lender that you have chosen.

If Your PLUS is Denied by the Lender

Federal regulations require credit checks for the parent applicants. Parents with adverse credit history, those who have high debt ratios, or have filed bankruptcy in the past may be denied the PLUS. Parent borrowers will be notified if the application is denied, the reason for the denial, and the name of the credit bureau from which the denial was obtained.

*Students of parents who are denied the PLUS may be eligible for an additional Federal Stafford Unsubsidized Loan. The additional Unsubsidized Loan amount available each year is \$4,000 for first and second year students, and \$5,000 for third and fourth year students. **Students who wish to apply for this additional unsubsidized loan amount must complete the Federal Stafford Unsubsidized Loan Application and submit it to Student Financial Services for processing.** The application for requesting an unsubsidized loan is available on our web page at <http://www.virginia.edu/financialaid/loans.php>.*

Disbursement Procedure

After loan approval, the PLUS funds will be available for disbursement. These funds are normally payable in two disbursements, but may be issued in one disbursement for the summer. Funds will be applied toward the student's University billing statement once the student has enrolled in sufficient credit hours. All undergraduates at the University must be enrolled at least half-time (at least 6 total credit hours in any of the summer sessions) to receive these funds.

A financial aid award letter will be sent to you indicating the total loan amount of the PLUS awarded. **The actual amount disbursed will be the gross amount minus origination fees and/or guarantor fee where applicable.** PLUS proceeds are applied to tuition charges before any other financial assistance. By federal regulation, unless parents request otherwise, credit balances are refunded to the parent instead of the student. However, you may indicate on the application that you prefer that the refund be sent to the student. Due to manual processing requirements, a refund to the parent will take longer than if you elect to send the refund to the student.

Please note: if additional financial assistance or other educational resources are received by the student **after the PLUS application is certified**, one or both of the loan disbursements may be reduced or cancelled to prevent over-awards. Similarly, if tuition charges are reduced because of a change in enrollment, one or both of the loan disbursements may be adjusted.

PARENT PLUS LOAN Application

*** SUMMER SESSION 2008 ***

I. PARENT BORROWER INFORMATION - ONLY ONE (1) PARENT BORROWER PER LOAN: (PLEASE PRINT)

Parent's Name: _____ Parent's Social Security Number: _____

University ID: _____

Student's Name: _____ or
Social Security Number: XXX-XX-_____

Parent's Permanent Address: _____

Parent's Date of Birth: _____ Home Phone: _____ Email address: _____

Parent's Citizenship Status: _____ U.S. Citizen _____ Permanent Resident (Alien Registration # _____)

Loan Amount Requested: \$ _____ **THIS LOAN IS FOR SUMMER SESSION 2008 ONLY**Completed FAFSA YES NO**(PLUS loans are always used as the first source to pay tuition, fees, room & board)****Once my student's University bill has been paid, send any residual PLUS loan proceeds to:** Student at his/her local address Parent Borrower at above address**STATEMENT OF EDUCATIONAL PURPOSE:**

I CERTIFY THAT I WILL USE ANY FEDERAL TITLE IV, HEA FUNDS I RECEIVE DURING THE AWARD YEAR COVERED BY THIS APPLICATION SOLELY FOR EXPENSES RELATED TO ATTENDANCE AT THE UNIVERSITY OF VIRGINIA. I FURTHER CERTIFY THAT I AM NOT IN DEFAULT ON AN EDUCATION LOAN NOR DO I OWE A REFUND ON A FEDERAL GRANT.

Parent Borrower's Signature_____
Date**LENDER INFORMATION REQUIRED****LENDER** _____ **LENDER #** _____ **GUARANTOR #** _____

Information about the University's Preferred Lenders can be found at

<http://www.virginia.edu/financialaid/loans.php>.To receive your PLUS Loan, **Complete** and **Return** this application to our office. A Master Promissory Note (if required) and further instructions will be mailed to you for completion by the lending institution, upon receipt of this form. In most cases you will not need to sign another promissory note for future PLUS Loans.**STUDENTS MUST COMPLETE A UNIVERSITY OF VIRGINIA
SUMMER SESSION FINANCIAL AID APPLICATION
IN ADDITION TO THE PARENT PLUS APPLICATION****PLEASE PRINT ALL INFORMATION ON THIS FORM**