

Please read the information below, complete, and sign the *appropriate statement* on the back of this form concerning a Federal Direct Parent (PLUS) Loan for the 2011-12 academic year on behalf of your dependent student:

STUDENT SECTION (TO BE COMPLETED BY THE STUDENT):

Student Printed Name

Student ID#

Student Social Security #

Student Date of Birth

Anticipated Graduation Date

Student's U.S. Citizenship Status: ___ a. U.S. Citizen/National ___ b. Eligible Non-Citizen (Alien ID# _____)

If you check "Eligible Non-Citizen" and have not completed a Free Application for Federal Student Aid (FAFSA), you must attach a copy of your INS documents.

Are you currently in default on a Federal educational loan, or do you owe a refund on a Federal student grant? ___ YES ___ NO
If "YES", please provide documentation.

Student Signature

Date

IMPORTANT INFORMATION ABOUT THE FEDERAL DIRECT PARENT (PLUS) LOAN:

1. A Federal Direct Parent (PLUS) Loan is low-interest loans designed to help parents pay for their dependent student's educational expenses. Parent Loans are not restricted to financial need; however, they are based on credit-worthiness of the parent borrower. The maximum Parent Loan amount is the difference between the students's cost of attendance less all other financial aid, including Federal Direct Stafford Loans.
2. The U.S. Department of Education is the lender for this loan.
3. The school assists in administering the loan by distributing information, certifying eligibility, processing the loan, and disbursing of loan funds. ***Schools do not determine approval for credit qualifications.***
4. The interest rate charged on the Federal Direct Parent (PLUS) Loan is a fixed rate of 7.9 percent. An origination fee of up to 4 percent is collected by the federal government to offset the cost of the federal education loan programs.
5. A parent ***can not*** have adverse credit history. If a Parent Loan applicant does have an adverse credit history, he or she might still be able to receive a loan by obtaining an endorser (co-signer) who does not have an adverse credit history. If the loan is not approved, contact the Financial Aid Office to obtain information about other options for the student. If you feel you have ***'exceptional circumstances'*** which would prevent you from participating in the loan Parent Loan program, please contact the Financial Aid Office @ McMurry University ***before applying*** for the Parent Loan.
6. The repayment period is up to 10 years. Parents have the option of beginning repayment 60 days after the loan is fully disbursed ***or*** 6 months after the dependent student is no longer enrolled at least half-time. Interest will accrue during this time. There is no penalty for early repayment.
7. Loan funds will be credited directly to your dependent student's University account. Written notification of the date and amount of credited funds will be sent. In most cases, the loan will be delivered in two equal installments (half at the beginning of the school year and half midway through the school year). *****Overpayment as a result of a Parent Loan credited to a student account will be available within 14 days of the posted credit. Please provide parent-borrower instruction regarding handling any overpayment on the back side of this form.*****

FEDERAL DIRECT PARENT (PLUS) LOAN MASTER PROMISSORY NOTE (MPN) INFORMATION:

The Federal Direct Parent (PLUS) Loan Master Promissory Note (MPN) is a loan application that allows parents of dependent students to receive multiple Federal Direct Parent (PLUS) Loans over a maximum ten-year period. After the MPN is submitted to the Department of Education (via www.studentloans.gov and electronically signed by using the parent's FAFSA PIN number), the parent is not required to complete a new MPN while the student attends McMurry University. The parent will be required to complete a **Loan Request and Authorization Form** each time a loan is needed. Usually a **Loan Request and Authorization Form** will be completed at least once each academic year. A credit approval process for the Parent Loan must be completed ***each academic year***. If the parent needs a Parent Loan to finance another dependent student's education, the parent must complete a separate MPN. The parent has the right to request a new MPN any time the parent borrowers.

