NEW YORK CITY COLLEGE OF TECHNOLOGY

William D. Ford Federal Parent Loan

2015-2016

Office of Financial Aid
Namm G-13
Things you should know before you become a

William D. Ford Federal Parent Loan Borrower

Direct Plus Loans: are unsubsidized loans available to parents of Dependent students’. These Loans are available regardless of Financial need; and the amount of eligibility depends on the total cost of the student’s education. (The COE includes the total amount it will cost to go to school. Tuition and fees; housing and food allowance; and allowances for books, supplies, transportation, loan fees are included)

The Free Application for Federal Student Aid (FAFSA) must be completed for the student, using the student's and parent’s information, before a Direct Parent Plus Loan can be processed.

ALL parents’ must complete a Direct Plus Loan Processing Form. In addition, the parent MUST complete a Direct Plus Master Promissory Note (If one is not already on file).

1- Direct Parent Plus Loan Processing Form Parents should complete the form and return it to the Financial Aid Office in order to apply for a Direct Parent Plus Loan.

2- Direct Parent Plus Loan Master Promissory Note (Direct Parent Plus MPN) The parent MUST complete a Direct Parent PLUS MPN at www.studentloans.gov.
Eligibility

Parent must:

* be a biological or adoptive parent, or a step-parent whose information was required on the FAFSA
* be a U.S. citizen or eligible non-citizen, and provide a valid Social Security Number
* be credit worthy

Adverse Credit History
A credit history is a summary of your financial strength, including your history of paying bills and your ability to repay future loans. To qualify for a PLUS loan, you cannot have an adverse credit history. Your credit history may be considered adverse if you are experiencing any of the following credit conditions:

1. Bankruptcy discharge within the past five years.
2. Voluntary surrender of personal property to avoid repossession within the last five years.
3. Repossession of collateral within the last five years.
4. Foreclosure proceedings started.
5. Foreclosure within the last five years.
6. Conveying your real property that is subject to a mortgage (by deed) to your lender to avoid foreclosure (deed in lieu of foreclosure)
7. Accounts currently 90 days or more delinquent
8. Unpaid collection accounts.
10. Wage garnishment within the last five years.
11. Defaulting on a loan, even if the claim has been paid.
12. Lease or contract terminated by default.

Student must:

* be dependent for purposes of financial aid
* be enrolled at least half-time (6 credits)

- If the dependent student withdraws from all of his/her classes during the semester, the loan will be Pro-rated, based on the length of enrollment.

- If the dependent student’s enrollment drops below half time (6 credits), but is not fully withdrawn, he/she may not be eligible for payment.
**Adverse Credit:**

In the event that the parent’s credit check is denied, the student can request additional Federal Direct Unsubsidized Loan funds.

**Interest Rate, Fees, etc.**

*Interest Rate:* The interest rate for Direct Parent Plus Loans is a fixed *rate of 7.21%.*

*Interest* begins accruing once the loan is disbursed and repayment begins approximately 60 days after the loan is fully disbursed. Deferment is available until 6 months after the student is no longer enrolled at least half time; however, the interest continues to accrue.

(Parents must request the deferment of payments)

*Fees:* An Origination Fee of 4.288% is assessed prior to disbursement.

*Annual Loan Limit:* Cost of student's education minus any other financial aid.

*Cumulative Loan Limit:* None

*Repayment term:* 10 years. Deferment and forbearance options available.

**IN-SCHOOL DEFERMENT REQUEST FORM**

Parents who borrow a Parent Plus Loan on their child’s behalf may defer the payment of the loan by completing an *In-School Deferment Request Form.* Parent Plus Loans do not go into repayment until the loan is fully disbursed.
SECTION A: TO BE COMPLETED BY STUDENT

<table>
<thead>
<tr>
<th>Student’s Last Name:</th>
<th>First Name:</th>
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<tbody>
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Social Security Number: - - CUNYFIRST ID#

Which semester are you requesting the loan to be processed for: Please indicate the number of credits the student will be enrolled in per semester:

Summer 15 (1) _____ Summer 15 (2) _____ Summer 15(3) _____ Summer 15(4) _____

Fall 15 _____ Spring 16 ______

Student’s Signature: __________________________ Date: __________

SECTION B: TO BE COMPLETED BY PARENT

<table>
<thead>
<tr>
<th>Parent’s Last Name</th>
<th>First Name:</th>
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</thead>
<tbody>
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</tbody>
</table>

Social Security Number: - -

Permanent Address: Apt.#

City: State: Zip:

Telephone: ( ) Date of Birth:

Citizen: Yes: ☐ No: ☐ Alien Reg. Number:

Driver’s License Number: License State:

Are you presently in default of any educational loans?

Loan Amount Requested (parent): $

SECTION C: TO BE COMPLETED BY PARENT

<table>
<thead>
<tr>
<th>Employer’s Name:</th>
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Employer’s Complete Address:

City: State: Zip Code:

Employer’s Telephone Number:

How many years with current employer?

Parent Certification: Your signature below certifies that you understand that this is a Federal Loan that must be re-paid.

A Plus Loan Applicant must not have an adverse credit history

Any person who knowingly makes a false statement or representation on this form shall be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and U.S.C. 1097.

Parent’s Signature: __________________________ Date: __________
Section B: Loan Record Data (for office use only)

Entrance Interview Date:_____/_______/______

Name of Program ______________2yr_____ 4yr _____

Total Credits Earned ______as of ___/____/____
- Summer 15 (1) Credits ______
- Summer 15 (2) Credits ______
- Summer 15 (3) Credits ______
- Summer 15 (4) Credits ______
  Fall 15 Credits ______
  Spring 16 Credits ______

Students Financial Awards/ Estimates:

- Pell __________
- TAP __________
- APTS __________
- SEOG __________
- FWS __________
- Perkins __________
- SEEK __________
- Sub Loan __________
- Unsub Loan________
- Other Aid __________
- Total Aid _________

Plus Loan Formula

- Budget __________
- Total Aid __________
- Sub Loan __________
- Unsub Loan __________
- Remaining Need __________

Loan Amount Originated _________

_________________________________________  ___________________
Financial Aid Counselor                     Date of Origination