

# Memorandum

**To:** Parent PLUS Loan Borrower  
**From:** Student Aid Office  
**Date:** 2008-2009 Award Year  
**Re:** Parent/Grad. PLUS Loan Request Form

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Federal PLUS loans allow parents of dependent undergraduate students to borrow up to the annual cost of education minus any financial aid. In addition, this program also allows graduate students to borrow up to the annual cost of education minus any financial aid. PLUS loans are not based on financial need, but do require a good credit history. There is a 10-year repayment schedule and deferment options do exist. For graduate students, payments are automatically deferred while in school.

To request a Federal PLUS loan, please complete the 2008-2009 Parent/Grad PLUS Loan Request form and return this form to the **Student Financial Aid Office, UNC Charlotte, 9201 University City Blvd., Charlotte, NC 28223-0001.**

The data from your request form will be used to create an electronic certification record that will be sent to your chosen lender. **When your electronic certification has been accepted, you will be mailed a PLUS Loan Application and Master Promissory Note (MPN), unless one is already on file. Please return the completed MPN to your lender as soon as possible so your lender can perform the credit check and notify you whether the PLUS loan has been approved or denied.** If you are unsure about your credit profile, you may have your credit status pre-screened. Please check with your lender for this option.

When PLUS Loan funds credit the student's account; the actual disbursement will be less than the original amount of the award because of the deduction of loan origination and default fees. These fees are deducted by the lender per federal regulation.

If there is a credit balance on the student's account after all charges for the semester have been paid, and the credit was created by PLUS Loan proceeds, then it will be returned to the parent borrower or the student as you have indicated on the request form. However, funds will not be available before the first day of classes for each semester, since the enrollment status of the student must be verified before funds can be released.

The first payment on the loan will be due within 30 to 60 days of the last disbursement for the loan period. Information regarding repayment plans will be mailed to you by your lender. The interest rate is fixed at 8.5% and will not exceed 9%. You may prepay all or a portion of your loan at any time, without a penalty.

If you have questions regarding the Federal PLUS Loan, please contact the Student Aid Office at 704-687-2461.

