



# PLUS LOAN PRE-APPLICATION (PARENT LOAN)



## Federal PLUS Loan Pre-Application 2007-2008

To request credit pre-approval for your PLUS loan, complete and fax or mail this form back to the Financial Aid Office. We will be working with Vermont Student Assistance Corporation (VSAC) to process the requests. If you are pre-approved for the loan, you will receive a Master Promissory Note from VSAC with more information regarding the loan.

Please Check One:

Initial PLUS Loan for 2007-2008     I already have a previous PLUS processed this year

Student's Full Name:		
Student's Social Security Number:	Student's Date of Birth (mm/dd/yy):	
<b>Borrower's Social Security Number:</b>		
<b>Borrower's Full Name (List Only One Parent):</b>		
Relationship To Student:	Driver's Lic #:	
Permanent Address:		
City:	State:	Zip:
Borrower's Date Of Birth (mm/dd/yy):	Email:	
Home/Evening Telephone:	Work/Daytime Telephone:	
Citizenship:    U.S. Citizen                  Eligible Non-citizen*                  Alien No: A		
*You must provide documentation reflecting that you are an eligible non-citizen to the Financial Aid Office before the loan request can be processed.		
<b>ARE YOU IN DEFAULT ON A FEDERAL EDUCATION LOAN?</b> <input type="checkbox"/> NO <input type="checkbox"/> YES <i>If yes, give details on separate sheet, including what repayment arrangements have been made.</i>		
Requested Loan Amount: \$ _____ or check one → <input type="checkbox"/> Enough to cover Bill Amount		
<input type="checkbox"/> Check here if you wish to borrow 4% additional funds to cover the processing fees.	<input type="checkbox"/> Maximum Eligibility Amt: (Checking this box may Net funds beyond the VTC bill amount)	
Loan Period:	<input type="checkbox"/> Academic Year	<input type="checkbox"/> Fall Only <input type="checkbox"/> Spring Only
School Address: Vermont Technical College	POB 500	
Attn: Financial Aid Office	Randolph Ctr, VT 05061	
School Fax Number: (802)728-1436	School Code: 003698	

I authorize Vermont Student Assistance Corporation to obtain a current copy of my credit report to make a preliminary credit determination of my qualification for a PLUS Loan at this time. I understand that this credit determination does not constitute final approval, and I understand that I must submit a signed Federal PLUS Loan Application and Promissory Note, including authorization for a subsequent credit evaluation, in order to obtain final approval for the loan. If my signed Federal PLUS Loan Application and Promissory Note is submitted later than 90 days after the original preliminary credit determination, I authorize the lender or its agent to obtain a new copy of my credit report for the purpose of making an updated preliminary credit determination at the time of submission. I also authorize release of my credit evaluation results to Vermont Technical College.

Please consider a faxed copy of my signature proper authorization.

I authorize Vermont Technical College to credit Federal PLUS Parent Loan funds to pay my student's account to cover all educationally related costs billed by the Business Office at VTC.

Parent Borrower's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Office Use Only: CRI    NAE    DADD    NSBI    AWD \_\_\_\_\_

## Federal PLUS Loan Information

The Federal PLUS Loan is designed for parents of dependent students enrolled at least half-time in eligible degree or certificate programs.

- The maximum loan amount is the difference between the cost of attendance (tuition, books and living expenses) and the student's financial aid. This amount is listed on your students' Financial Aid Award Letter.
- The interest rate is fixed as of July 1, 2006 with a maximum rate of 8.5%. Interest accrues from the first disbursement date.
- Funds are disbursed directly to the school, generally at the beginning of each term.
- Repayment begins when the annual loan is fully disbursed. The standard repayment term is 10 years.
- If a parent wishes to apply through a different lender, the parent must obtain the appropriate application materials from the lender.

### Borrower Eligibility

An eligible borrower must be:

- 1) the student's parent (natural or adoptive), or 2) the student's stepparent who is included on the student's Free Application for Federal Student Aid (FAFSA), and
- a U.S. citizen, a permanent resident or other eligible non-citizen (in the U.S. for a purpose that is not temporary, with the intention of becoming a citizen or permanent resident), and
- not be in default on a federal education loan, or have made satisfactory repayment arrangements to repay the amount owed.
- Not owe an overpayment on a federal education grant or have made repayment arrangements to repay the amount owed.

### Application Process

1. **FAFSA submission:** Student submits the Free Application for Federal Student Aid (FAFSA) and any supporting documentation as requested by the Financial Aid Office at VTC.
2. **Financial Aid Award Letter:** The Financial Aid Office determines the student's financial aid eligibility and sends the student a Financial Aid Award letter. Pre-application is included in packet.
3. **Credit Pre-Approval (optional):** If a parent wishes to receive early information regarding their credit approval, parent borrowers may contact VSAC Loan Services at 800-798-8722 for a PLUS Loan pre-approval before completing this Federal PLUS Loan Pre-Application Data Request.
4. **Requested Loan Amount:** The parent determines how much Federal PLUS Loan he or she needs to borrow for the academic year, completes the Vermont Tech PLUS Loan Pre-Application Form and submits it to the VTC Office of Financial Aid.
5. **Loan Certification:** The Financial Aid Office certifies the PLUS Loan based on the information in the VT Tech PLUS Loan Pre-Application Form and electronically submits the loan information to VSAC.
6. **PLUS Loan Master Promissory Note (MPN):** VSAC will mail a preprinted Federal PLUS MPN to the borrower. The borrower completes the PLUS MPN and returns it to VSAC. The PLUS MPN includes complete information on the terms of the loan and the borrower's rights and responsibilities.
7. **Credit Check by VSAC:** The lender performs a standard credit check. If the parent borrower has adverse credit, the parent has the opportunity to resolve the adverse credit items or obtain a credit-worthy endorser. Also, if the adverse credit is not resolved or you do not wish to attempt to resolve the adverse credit, your student may be eligible to borrow from the Unsubsidized Stafford Loan Program for up to \$4000 or \$5000, depending on your students' year in school. A separate application for the Unsubsidized Stafford Loan Program is available in the VTC Financial Aid Office.
8. **Loan Approval Notice:** When the loan is approved VSAC mails a Notice of Loan Guarantee and Disclosure Statement to the parent borrower. The loan is disbursed by VSAC to VTC by electronic funds transfer (EFT).
9. **Multiple loans for future years:** Multiple loans for the same dependent student may be made to the same parent borrower under a single Master Promissory Note (MPN) over a maximum ten-year period. However the parent borrower must complete a Vermont Tech PLUS Loan Pre-Application Form for each loan borrowed.