



University of Nevada, Reno

## 2009-2010 PLUS LOAN INFORMATION & INSTRUCTIONS

To borrow the PLUS Loan, please read all the information contained in this brochure, complete and submit the PLUS Loan Activation Form. You may submit the PLUS Loan Activation Form in person to Student Financial Aid and Scholarships, 3<sup>rd</sup> floor, Fitzgerald Student Services Bldg., via U.S. Mail to Mailstop 0076, Reno, NV 89557 or via fax (775) 784-1025. Processing instructions are listed on the back page. You are encouraged to have the student apply for all federal Stafford loans before considering the Plus loan.

### WHAT ARE THE BORROWING REQUIREMENTS?

Parents are required to pass a credit check and also meet some of the general eligibility requirements for federal financial aid. For example, parents must meet citizenship requirements and may not be in default or owe a refund to any financial aid program. The student must also be eligible for aid, including Satisfactory Academic Progress requirements.

### WHAT IF I AM DENIED THE PLUS LOAN?

If you are denied a PLUS Loan, our office must receive a copy of the denial notification from the lender in order to offer an additional Unsubsidized Stafford Loan to the student. In addition, the student must request the Unsubsidized Stafford Loan by completing a Stafford Loan Activation Form specifically requesting an Unsubsidized Stafford Loan.

### HOW MUCH CAN I BORROW?

The yearly maximum on a PLUS Loan is equal to the student budget minus other financial aid/scholarships. For example, if the student budget (tuition, fees, books and supplies, room and board) is \$20,000 and the student was offered \$8,000 in other financial aid/scholarships, the parent could borrow up to \$12,000 from the PLUS loan. The Offer Letter identifies the student budget and all available financial aid/scholarships. The student can view the most recent Offer Letter via [ePAWS](#) at [www.unr.edu](http://www.unr.edu), under "Fin. Aid Offer".

### WHAT'S THE INTEREST RATE ON PLUS LOANS?

As of July 1, 2006, the fixed interest rate on the PLUS Loan is 8.5%. Interest is charged from the date the first disbursement is made until the loan is fully repaid.

### ARE THERE LOAN FEES?

Yes, you may pay a fee of up to 4% of the loan amount. This fee is deducted proportionately each time a loan disbursement is made. A portion of this fee goes to the federal government to help reduce the cost of the loans.

### HOW ARE LOAN FUNDS DISBURSED?

If approved, the lender electronically disburses funds to the University or mails a paper check. One-half of the total loan, minus fees, is disbursed each semester. The funds are used to pay all outstanding obligations to the University. Funds remaining after all University charges are paid are made payable to the student through direct deposit to a checking account or by check mailed from the Cashier's Office. Parents can elect to have the check mailed directly to them, before being applied to university charges. The student/parent would be responsible for paying the University fees by the fee deadline. Students may change their mailing address via [ePAWS](#).

### CAN I CANCEL MY PLUS LOAN AFTER I APPLY?

Yes, our office notifies the student in writing whenever loan funds credit the student's account. You may cancel all or a portion of the loan in writing within 14 days after the date of the notice. If you cancel the loan, tuition, fees, and other charges must be paid by the semester fee payment deadline or arrangements made with the Cashier's Office for a deferred payment plan. If you receive PLUS Loan funds directly from the lender by check, you may refuse the funds by not endorsing the check and returning it directly to the lender.

### WHEN DOES REPAYMENT BEGIN?

Repayment begins within 60 days after the 2nd disbursement for the academic year. There is no grace period, so interest begins to accumulate at the time the first disbursement is made. The parent borrower must begin repaying both principal and interest while the student is in school.

**Borrowers have the option to contact their lender to inquire about forbearance while in school.**

## HOW TO SELECT A LENDER

In the table below, our office lists a selection of six lenders. These lenders were selected based on customer service, borrower benefits and the lenders' history with the University. Each year, we evaluate leading lenders in the industry and select the lenders after lengthy discussion and comparison. Each of these lenders has some benefits in common such as on-line Master Promissory Notes, e-signature, and free on-line access to account information. The table lists some of their unique benefits to help you make your choice.

One factor to consider when choosing a lender is your predicted repayment behavior. A few things to consider are whether or not you'll use the auto debit (ACH) which is a factor for some benefits; if you will make all your payments on-time; when you want to earn the benefits; would you like all the benefits sooner rather than later; are you willing to trade a smaller benefit earned sooner for a larger benefit earned later – these are all questions to ask yourself before deciding on a lender.

**\*\*\*\*\*All borrower benefits are subject to change\*\*\*\*\***

Before you choose a lender, you are advised to research the lender and specifically ask the lender for a full disclosure of all terms and conditions of the benefits. **Selecting a lender is your choice; you are not limited to only the lenders' on the selection of lenders list. If you desire to select a non-preferred lender you may indicate which one on the Plus Loan Activation Form or contact our office if you have questions**

Other Lenders: If you are a first-time borrower and wish to borrow from a lender or credit union not listed, you must submit 1) a completed paper **copy** of PLUS Master Promissory Note from that lender; 2) the lender code; 3) the guarantor; 4) the guarantor code; 5) the address where to mail the certification and PLUS MPN and 6) the completed PLUS LAF to our office. We will attempt to process the loan electronically, but if that fails we will process the loan manually.

If you plan on borrowing a PLUS Loan and have not previously borrowed from the program at this University, you will need to select a lender. The lender is the institution from which the money is actually borrowed, but the interest rates and terms of the loan are set by the U.S. Department of Education. Therefore the real difference among lenders is measured in terms of customer service and any borrower benefits or repayment options.

Reasons for selecting a particular lender vary from person to person. Some choose a lender based on name recognition. Others prefer the customer service they have experienced. For some the deciding factors are the borrower benefits some lenders offer.

To assist families in this decision, our office has compiled a list of institutions that we consider excellent in the educational lending field. We have found each of these lenders to provide prompt reconciliation of loan issues. They also provide fast electronic payment of loan funds directly to your University billing account, and offer exceptional customer service.

How was this list developed? Our office is committed to choosing lenders who provide exemplary customer service and a variety of borrower benefits to our students. We surveyed over 11 leading lenders and narrowed the field to six preferred lenders. Lenders are asked to provide information regarding their services via a Request for Information (RFI). Students, parents or the community are welcome to view the RFIs in our office.

The lenders' responses to the RFI are ranked using criteria developed by the National Association of Student Financial Aid Administrators (NASFAA). The results of these rankings and the responses to the RFIs are examined by a committee of financial aid administrators. The committee took into account efficient processing, customer service (for parents, students, and administrators) and borrower benefits.

Please contact our office if you have any questions about the process or the lenders selected.

LENDER	BENEFITS
<p><b>Chase Education Finance</b>            1 E. Ohio Street, IN1-0104            Indianapolis, IN 46277            800.487.4404  <a href="http://www.chasestudentloans.com/student-loans/federal-plus.html">http://www.chasestudentloans.com/student-loans/federal-plus.html</a></p> <p>Servicer: Chase</p>	<ul style="list-style-type: none"> <li>• <b>4.0% fees</b></li> <li>• <b>8.5% interest rate</b></li> <li>• 0.25% Interest rate reduction with auto debit from a checking or savings account.</li> <li>• Loans originated and serviced by Chase.</li> </ul>
<p><b>Citibank</b>            Application Processing            P.O. Box 6128            Sioux Falls, SD 57117-6128            1.800.788.3368  <a href="http://studentloan.citibank.com/">http://studentloan.citibank.com/</a></p> <p>Servicer: Citibank</p>	<ul style="list-style-type: none"> <li>• <b>4.0% fees</b></li> <li>• <b>8.5% interest rate</b></li> <li>• 0.25% Interest rate reduction when a borrower signs up for the auto-debit payment program <b>and</b> agrees to only receive statements electronically.</li> </ul>
<p><b>Discover Student Loans</b>            P.O. Box 30947            Salt Lake City, UT 84130-0947            1.877.728.3030  <a href="http://www.discoverstudentloans.com/">http://www.discoverstudentloans.com/</a></p> <p>Servicer: Great Lakes</p>	<ul style="list-style-type: none"> <li>• <b>4.0% fees</b></li> <li>• <b>8.25% interest rate</b></li> <li>• 0.25% interest rate reduction with auto debit from a bank account</li> </ul>
<p><b>WACHOVIA EDUCATION FINANCE</b>            P.O. Box 13667            Sacramento, CA 95853-3667            1.800.338.2243  <a href="http://studentloans.wachovia.com/jump/u002568/stafford.htm">http://studentloans.wachovia.com/jump/u002568/stafford.htm</a></p> <p>Servicer: ACS</p>	<ul style="list-style-type: none"> <li>• <b>4.0% fees</b></li> <li>• <b>8.5% interest rate</b></li> <li>• Free online account access available 24 hours</li> <li>• Processing student loans for 25 years</li> </ul>
<p><b>WELLS FARGO EFS</b>            P.O Box 5185            Sioux Falls, SD 57117-5185            1.800.658.3567  <a href="http://wfefs.wellsfargo.com/jump/unr.html">http://wfefs.wellsfargo.com/jump/unr.html</a></p> <p>Servicer: Wells Fargo</p>	<ul style="list-style-type: none"> <li>• <b>4.0% fees</b></li> <li>• <b>8.5% interest rate</b></li> <li>• Processing student loans since 1968</li> <li>• Instant credit decisions</li> </ul>

**\*\*All borrower benefits are subject to change.**

**\*\*All lenders are unaffiliated with each other with the exception of Wells Fargo and Wachovia.**

**As of January 1, 2009 Wells Fargo merged with Wachovia.**

## PROCESSING INSTRUCTIONS

1. Select a lender. Selecting a lender is your choice; you are not limited to only the lenders on our list.
2. Decide how much you wish to borrow. Refer back to the first page section on "[How Much Can I Borrow?](#)" If you want to borrow a lesser amount than the maximum, write in the amount on the PLUS Loan Activation Form.
3. Complete and submit the PLUS Loan Activation Form to our office. We recommend, when possible, that current and prior borrowers remain with their most recent lender/servicer to ensure ease of repayment.
4. First-time PLUS Loan borrowers at this University can complete the PLUS Master Promissory Note (MPN) on the Internet. The MPN is the legal paperwork between the borrower and the lender. Previous PLUS Loan borrowers at this University do not need to complete a new MPN if you remain with the same lender.
5. If you did not complete the MPN on the Internet, you will receive a pre-printed PLUS MPN from your lender. Complete the reference section and any other requested information and return it promptly.
6. Your lender conducts a credit check with a national credit bureau before approving the loan. If the loan is approved, the parent borrower receives a "Notice of Guarantee" (NOG) from the lender which identifies approximate dates for the electronic disbursement of funds from the lender to the University. Typically, funds are credited to the University's bank account within three working days after the NOG date. If the lender denies the loan, the student should contact our office for other borrowing options.
7. When the University receives funds, our office confirms the student's eligibility for aid, including Satisfactory Academic Progress. Our office also checks enrollment status (full time=12 or more undergraduate credits; 3/4 time=9-11 credits; or 1/2 time= 6-8 credits). If the student is still eligible, the funds are credited to the student's account and all outstanding financial obligations to the University are paid (fees, tuition, housing, etc).
8. Our office notifies the student in writing each time a loan disbursement is made. The notification details the fund program(s) and amount(s) disbursed into the student's account.
9. If the borrower marks "yes" on the Authorization question on the Loan Activation Form (LAF), the loan funds will be made payable to the University to pay mandatory charges. Then if any funds remain after all University charges are paid-in-full, the residual funds are made payable to the student. Students may request the funds to be direct deposited to a checking account. Information about setting up a direct deposit is available from the Cashier's Office. If direct deposit is not arranged, the funds will be mailed to the address listed on [ePAWS](#). Students can change their mailing address via [ePAWS](#) at [www.unr.edu](http://www.unr.edu).  
  
If the borrower marks "no" on the Authorization question on the LAF, the loans funds will be made payable to the parent. The student/parent would be fully responsible for ensuring the University is paid by the due date. Late fees would apply to late payments.
10. It is the student's responsibility to read "The Guide" and maintain Satisfactory Academic Progress standards. They are posted at [www.finaid.unr.edu](http://www.finaid.unr.edu).



University of Nevada, Reno

UNIVERSITY OF NEVADA, RENO
2009-2010 PLUS LOAN ACTIVATION FORM

To borrow a PLUS Loan, the parent must complete and submit this form to Student Financial Aid and Scholarships, 3rd floor, Fitzgerald Student Services Bldg., via U.S. Mail to Mailstop 0076, Reno, NV 89557 or fax to (775) 784-1025. If you have any questions, please contact our office at (775) 784-4666 or toll-free at (877) 666-0014. Please do not leave any questions blank.

PARENT BORROWER INFORMATION

1) Parent Borrower Name: 2) Parent SSN:
3) Parent Address: No. Street Apt. City State Zip code
4) Parent Telephone: 5) Parent Date of Birth: (mm/dd/year)

STUDENT INFORMATION

6) Student Name: 7) Student SSN:
8) Student Telephone: 9) Student Date of Birth: (mm/dd/year)
10) Expected Graduation Date: (mm/year)

STUDENT ENROLLMENT DATES - 11) Please check only one box:

- My son/daughter will attend the entire academic year (08/09-05/10).
My son/daughter will attend only the Fall 2009 semester (08/09-12/09).
My son/daughter will attend only the Spring 2010 semester (01/10-05/10).

PARENT CITIZENSHIP - 12) Check one: U.S. Citizen/National Eligible Non-Citizen Alien ID Number:

PARENT DEFAULT - 13) Are you in default on a federal loan or do you owe a refund on a federal student grant? YES NO

PARENT BORROWING HISTORY WITH THIS UNIVERSITY - 14) Read carefully then mark selections:

I am a current and previous PLUS borrower. PLUS Loans will be processed with the most recent lender and/or loan servicer at this University unless the borrower requests otherwise.

I am a first-time borrower: Select a lender. Borrowers have the right to select any lender. (Listed in alpha order)

- Chase
Citibank
Discover
Wachovia Education Finance
Wells Fargo

Other: If you are selecting a lender not on our list, please contact that lender and request the following information. Do not leave blanks.
Lender Name:
Lender Code: Mailing Address:
Guarantor: Guarantor Code:

AMOUNT REQUESTED - 15) Select one: Maximum OR- \$

AUTHORIZATION

16) I authorize loan funds to be sent directly to the University to pay mandatory charges and any residual funds after University charges are paid-in-full to be made payable to the student: YES NO (If no is marked, a paper check will be sent to school, and checked for eligibility. If eligible, check endorsed and entire check mailed to the parent. Tuition and fees must be paid by the deadline to avoid late fees; there are no postponement based on paper checks.)

PARENT SIGNATURE AND DATE - 17) Signature and date required:

X
Parent Signature Date

FOR OFFICE USE ONLY

PLUS \$ F F 01 02 Authorization: Yes No FAST:
T T 03 04 Certified by: Date:
INCR. PLUS \$ H H ELM: Date:
Chase Citibank BofA Discover US Bank Wachovia Wells Fargo