

## 2020-2021 Federal Direct Graduate PLUS Loan Instructions

In order to obtain a Federal Direct Graduate PLUS loan, the student must first complete the Free Application for Federal Student Aid (FAFSA). Students may borrow up to the cost of attendance less any other aid received by the student annually. They may also opt to borrow less than the maximum amount for which they are eligible. We recommend a student planning to enroll in both semesters apply for the loan for the entire year.

### Completing the Online Application:

Apply for Federal Direct Graduate PLUS loan at [www.studentaid.gov](http://www.studentaid.gov). If you have problems with the online Graduate PLUS application process, you can contact Direct Loan Applicant Services at 1-800-557-7394 for assistance.

- Do not submit application before May 1, 2020.
- Credit check is good for 180 days.
- Sign in with your FSA ID and password. Important – the student must sign-in using their information and FSA ID and password.
- Click on: Apply for a PLUS Loan.
- Under Select the Loan Type, click on Complete PLUS Loan Request for Graduate/Professional Students.

### Step 1. School and Loan Information

- Select Award Year 2020-2021
- Complete School and Loan Information Section
- Credit Balance Option

**Note:** All Federal Direct PLUS loans have a **4.236% loan fee** assessed to them before 10/1/20, but may change after 10/1/2020. All Federal Direct PLUS Loans have an interest rate of **5.30 %**. This loan fee is **deducted proportionately from each disbursement**. In determining the loan amount you need to borrow, you would need to take the loan fee into consideration. You may also borrow additional to cover book expenses. We generally estimate books to cost up to \$2,000 an academic year as long as the cost of attendance budget allows it.

#### • **Select Loan Period for Loan:**

- 8/24/2020 – 5/12/2021 \*Full Academic Year Loan (**RECOMMENDED**)
- 8/24/2019 – 12/15/2020 \*Fall Only Loan
- 1/18/2021 – 5/12/2021 \*Spring Only Loan
- 5/11/2021 – 8/17/2021 \*Summer Only Loan

### Step 2. Borrower Information

- Complete all sections for Borrower Information.

### Step 3. Review Request

- Review all information under School and Loan Information and Borrower Information. Click Edit to update any information.

### Step 4. Credit Check and Submit

- Review and check consent for credit check and certification information.

If the Graduate PLUS loan is credit approved, it will be added to the student' financial aid award once Cedar Crest receives the approval and a valid MPN on file.

- A Master Promissory Note (MPN) must be completed for all students approved to borrow a Federal Direct Graduate PLUS loan. The Graduate PLUS MPN can be completed at [www.studentaid.gov](http://www.studentaid.gov). The Graduate PLUS MPN needs to be completed if you have never signed a Direct Graduate PLUS loan MPN, if you signed an MPN more than one year ago but no loan was disbursed, you signed an MPN more than 10 years ago or you obtained an endorser due to adverse credit history.

If the Graduate PLUS loan is credit denied, you may choose to proceed by selecting one of the following credit actions. The Graduate PLUS Loan will then be processed based on the chosen credit action.

- Obtain an endorser. An endorser is someone who does not have an adverse credit history and agrees to repay the loan if the borrower becomes delinquent in making payments or defaults on the loan.
- Provide documentations of extenuating circumstances to appeal the credit decision to applicant services for further instructions please call 1-800-557-7394.

**Once the Graduate PLUS Application is submitted, an electronic confirmation will be transmitted to Student Financial Services. Please be aware it takes 24-48 business hours for Cedar Crest to receive your submitted application.**