

Grad PLUS Quick Facts

How do I apply for a PLUS Loan?

For a PLUS Loan, you must complete a Direct PLUS Loan Application and Master Promissory Note (MPN). The MPN is a legal document in which you promise to repay the loan and any accrued interest and fees to the Department. It also explains the terms and conditions of the loan. In most cases, one MPN can be used for loans that you receive over several years of study, although a separate Loan Request must be filed for each school year. If you previously signed an MPN to receive an FFEL PLUS loan, you will need to sign a new MPN for a Direct PLUS Loan.

Your school's financial aid office can provide instructions on how to apply for a PLUS Loan and may offer the option of completing the PLUS application and MPN online at www.studentloans.gov.

How much can I borrow?

The maximum PLUS Loan amount you can borrow is your cost of attendance (determined by the school) minus any other financial assistance you will receive.

What is the current interest rate?

The interest rate for Direct PLUS Loans is a fixed rate of 6.28%.

Prior Federal Loans and Financial Aid History—If you currently have a federal loan and would like to check the interest rate, servicer information, and other financial aid history, go to the [National Student Loan Data System](http://www.studentloans.gov).

Interest rate cap for military members—If you qualify under the Service Members Civil Relief Act, the interest rate on loans you obtained before entering military service may be capped at 6% during your military service. You must contact your loan servicer to request this benefit.

In addition, we do not charge interest (for a period of no more than 60 months) on Direct Loans first disbursed on or after October 1, 2008, while a borrower is serving on active duty or performing qualifying National Guard duty during a war or other military operation or other emergency, and serving in an area of hostilities qualifying for special pay.

Other than interest, are there any fees or charges to get a PLUS Loan?

Yes. There is a fee of 4.228% of the loan amount, deducted proportionately each time a loan disbursement is made.

How do I pay back my loans?

When you receive your first PLUS Loan, you will be contacted by the servicer for that loan (you repay your loan to the loan servicer). Your loan servicer will provide regular updates on the status of your PLUS Loan, and any additional loans that you receive. If you're not sure who your loan servicer is, you can look it up on www.nslsids.ed.gov.

When do I begin repaying the loan?

The repayment period for a Direct PLUS Loan begins at the time the PLUS loan is fully disbursed, and the first payment is due within 60 days after the final disbursement. However, you may defer repayment while you are enrolled at least half-time. If your Direct PLUS Loan was first disbursed on or after July 1, 2008, you may also defer repayment for an additional six months after you cease to be enrolled at least half-time.

Repayment Plans—There are several repayment plans that are designed to meet the different needs of individual borrowers. Generally, you'll have 10 to 25 years to repay your loan, depending on the repayment plan that you choose. You will receive more detailed information on your repayment options during entrance and exit counseling sessions at your school. To learn more about repayment plans, go to the [Repayment Information](http://www.studentloans.gov) page on this Web site.

What if I have trouble repaying the loan?

Under certain circumstances, you can receive a deferment or forbearance that allows you to temporarily stop or lower the payments on your loan. For more information, go to the [Repayment Information](http://www.studentloans.gov) page on this Web site.

Can my loan be cancelled (discharged)?

Yes, but only under a few circumstances. For more information, go to the [Cancellation/Discharge](http://www.studentloans.gov) page on this Web site.

Under the Loan Forgiveness for Public Service Employees Program, borrowers may have the balance of their loans forgiven if they are employed full-time in a public service job and make 120 payments on their loans during that period. For additional details, go to the [Loan Forgiveness for Public Service Employees](http://www.studentloans.gov) page on this Web site.