

A Federal Direct PLUS is a federally guaranteed loan, which is available to assist parents with the costs of higher education. The Federal Direct PLUS is available to parents of dependent undergraduate students. There is no income or needs tests to qualify for this loan, although a credit review will be performed. The parent borrower and student must be citizens, permanent residents, or eligible non-citizens of the United States. The student for whom the Direct PLUS is being requested must be enrolled at least half-time (18 units) each term. An enrolled student must be making satisfactory academic progress and have no outstanding balance due for prior enrollment periods at Caltech.

The interest rate on the Federal Direct PLUS is fixed and effective July 1, 2006 the rate is 7.9%. Interest begins to accumulate on the date of the first loan disbursement. The first payment is due within **60 days** after the final loan disbursement.

Parents may annually borrow a Federal Direct PLUS up to the cost of the student's education less any financial aid the student is receiving. However, parents should not borrow more than they are able to repay. A 4% loan fee will be deducted from the loan prior to disbursement. In addition, borrowers will be given an up-front rebate that is approximately equal to 1.5% of the loan amount approved. A borrower retains the rebate by making the first 12 monthly payments on time. Overall, the amount available will be 2.5% less than the loan amount approved.

Before deciding on the amount to borrow, families should first consider the Federal Direct Stafford Loan, a loan for which the student is the borrower. To begin the application process for a Stafford Loan, the family should complete the Free Application for Federal Student Aid (FAFSA). If you have any questions regarding the Federal Direct Stafford Loan or Federal Direct PLUS Loan Programs, contact the Financial Aid Office at (626) 395-6280 or by e-mail at finaid@caltech.edu.

I, the **parent borrower**, request that Caltech process a Federal Direct PLUS Loan for the 2007-2008 academic year.

I, the **parent borrower**, consent to allow the U.S. Department of Education and its agents to obtain a report of my credit record and use the information from that report in determining whether to award a Federal Direct PLUS Loan to me. I understand that the Federal Direct Loan Servicer will notify me, in writing, of the results of the credit check with respect to my loan application.

Loan Amount Requested: \$ _____

PLEASE PRINT

Parent's
First Name

Parent's
Middle Initial

Parent's
Last Name

Parent's E-mail address

Parent's Social Security Number

Parent's Signature

Date

STUDENT'S Social Security Number

STUDENT'S
First Name

STUDENT'S
Middle Initial

STUDENT'S
Last Name

Complete and return this form to:

Caltech
Financial Aid Office
MC 110-87
Pasadena, CA 91125

626-395-6280

Or fax it to: 626-564-8136

The deadline for submission of all Federal Direct Loan application materials for the 2007-2008 academic year is April 30, 2008.