FAQS

Am I eligible to borrow a Parent PLUS Loan?
- You must be the parent (or, in some cases, the stepparent) of the student for whom you are borrowing
- Your child must be a dependent undergraduate student enrolled at least half-time
- You cannot have an adverse credit history
- You and your child must be U.S. citizens or eligible noncitizens, not be in default on any federal education loans, and not owe an overpayment on a federal education grant

What are the terms and conditions of the loan?
- There are no set borrowing limits for Direct PLUS Loans, but you may not borrow more than the cost of your child’s education minus any other financial aid received
- The interest rate and loan fees for a Direct PLUS loan are determined annually; please see your Master Promissory Note for the current rates, or ask your student’s financial aid representative

REPAYMENT OPTIONS

Standard:
- Payments are a fixed amount
- Up to 10 years to repay (up to 30 years for Consolidation Loans)
- All borrowers are eligible for this plan
- You’ll pay less over time than under other plans

Graduated:
- Payments are lower at first and then increase, usually every two years
- Up to 10 years to repay (up to 30 years for Consolidation Loans)
- All borrowers are eligible for this plan
- You’ll pay more over time than under the 10-year Standard Plan

Extended:
- Payments may be fixed or graduated
- Up to 25 years to repay
- You must have more than $30,000 in outstanding Direct Loans
- You’ll pay more over time than under the 10-year Standard Plan
- Your monthly payments will be lower than under the 10-year Standard Plan or the Graduated Repayment Plan
**Income Contingent:**
- Parent borrowers can access this plan by consolidating their Parent PLUS Loans into a Direct Consolidation Loan
- Your monthly payment will be the lesser of
  - 20 percent of discretionary income, or
  - The amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income
- Payments are recalculated each year

**Consolidation:**
If you have multiple federal student loans, you can consolidate them into a single Direct Consolidation Loan. See [https://studentaid.ed.gov/sa/repay-loans/consolidation](https://studentaid.ed.gov/sa/repay-loans/consolidation)

## REPAYMENT EXAMPLES

### $10,000 BALANCE @ 7% INTEREST RATE

<table>
<thead>
<tr>
<th>REPAYMENT PLAN</th>
<th>REPAYMENT PERIOD</th>
<th>MONTHLY PAYMENT</th>
<th>TOTAL AMOUNT PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>120 months</td>
<td>$116</td>
<td>$13,933</td>
</tr>
<tr>
<td>Graduated</td>
<td>120 months</td>
<td>$67 - $201</td>
<td>$15,025</td>
</tr>
</tbody>
</table>

### $35,000 BALANCE @ 7% INTEREST RATE

<table>
<thead>
<tr>
<th>REPAYMENT PLAN</th>
<th>REPAYMENT PERIOD</th>
<th>MONTHLY PAYMENT</th>
<th>TOTAL AMOUNT PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
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<td>$406</td>
<td>$48,766</td>
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<tr>
<td>Graduated</td>
<td>120 months</td>
<td>$235 - $705</td>
<td>$52,588</td>
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<tr>
<td>Extended Fixed</td>
<td>300 months</td>
<td>$247</td>
<td>$74,212</td>
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<tr>
<td>Extended Graduated</td>
<td>300 months</td>
<td>$204 - $349</td>
<td>$80,287</td>
</tr>
</tbody>
</table>

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