

# PLUS VS. PRIVATE LOANS

## PLUS

- Fixed interest rate capped at 10.5%, with fees.
- Loans made to graduate students and parents of dependent undergraduate students.
- May borrow up to the cost of education less other aid.
- Insured against death and permanent disability for borrower and death of student.
- Can be consolidated.
- There is an automatic deferment of principal, but not interest.
- 2-3 weeks processing time.

## Private

- Fixed and variable interest rate options, no cap, no fees.
- Loans made to graduate students, dependent undergraduate students with credit-worthy co-signers, and parents or sponsors.
- May borrow up to the cost of education less other aid.
- May not be insured against death or disability.
- Typically not eligible for consolidation.
- Deferment options vary widely with private loan programs. Contact your lender for details.
- 4-6 weeks processing time.

## Find Out More



**CALL** | 1-800-GANNON-U



**ONLINE** | [gannon.edu/financialaid](http://gannon.edu/financialaid)



**EMAIL** | [financialaid@gannon.edu](mailto:financialaid@gannon.edu)

# FINANCIAL AID PAYMENT OPTIONS



## AVAILABLE PAYMENT OPTIONS

After your aid has been finalized and credited to your bill, you will be responsible for the remaining balance. There are a number of options available:

### On-Line Payment

E-check and credit card payments can be made in Student Finance section of GU Self-Service or at [gannon.edu/epayment](http://gannon.edu/epayment).

### Cash/Check

Please make check payable to Gannon University and indicate the student ID number on the check.

### Semester Payment Plan

A semester-based payment plan allows students and parents to defer up to \$5,000 throughout the semester in monthly payments. There is an enrollment fee. Additional information about this plan can be found in the Student Finance section of GU Self Service.

### Company/School District Reimbursement

If the student's employer or school district is providing reimbursement, a required down payment and Reimbursement Agreement must be submitted to the Cashier's Office. You can download a Reimbursement Agreement from GUXpress on the Student Account Center.

### Outside Scholarship

If the student's employer or school district is providing reimbursement, the required down payment and signed Reimbursement Agreement must be submitted to the Cashier's Office by the bill due date. You can download a Reimbursement Agreement from GU Self Service in the Student Finance Section.

### PLUS Loans

This is a federal loan program in which graduate students and parents of dependent, undergraduate students may borrow up to the annual cost of education each year, less any other financial aid. Additional information can be found in this brochure.

### Private Educational Loans

Additional loans are available to students with credit-worthy cosigners or to credit-worthy parents/sponsors, and may borrow up to annual cost of education less all other financial aid. Additional information can be found in this brochure.

## FEDERAL PLUS AND GRAD PLUS LOANS

### Eligibility

Half- and full-time graduate students and parents of dependent undergraduate students can borrow. Approval is based on the borrower's creditworthiness. Student must have a current FASFA on file.

### Interest Rate

The interest rate on PLUS Loans is a fixed rate established by the federal government July first, capped at 10.5%.

### Tax Benefits

Interest paid during repayment may be tax deductible. Consult with your tax advisor for details.

### Repayment

Up to 10 years, depending on amount borrowed. Borrowers may qualify for a deferment or forbearance.

### Loan Fees

Origination fees are deducted from each disbursement.

## Application Process

Borrower will need to log-in to the [studentaid.gov](http://studentaid.gov) website and complete the following items:

- **Apply for a PLUS** - The borrower will need to provide information required to authorize a credit check as well as the amount he/she wishes to borrow. This application is required for each new loan.
- **PLUS Master Promissory Note (MPN)** - This is an agreement to repay the loan. The MPN is completed one time before the first loan is processed and is valid for 10 years.
- **Entrance Loan Counseling** - Only required for graduate students borrowing the PLUS.

## PRIVATE EDUCATIONAL LOANS

Before borrowing a private education loan, you should carefully consider your present level of debt and repayment obligations on all loans. You may also want to utilize all federal loan options first, as federal loan terms and conditions may be more favorable than private education loans. Your federal student loan eligibility is indicated on your award notification.

Determine how much you will need to borrow by working out a budget for your educational costs and subtracting all your resources from those costs. Your ability to obtain private loan funding is largely based on your creditworthiness, and most student loan programs require a co-signer.

For a list of recommended lenders, please refer to [elmselect.com](http://elmselect.com). These lenders were researched by the Financial Aid Office and were selected based on availability of products, quality of customer service, on-line processing options, competitive interest rates and borrower benefits, and high ethical standards. Please note, you have the right to select any lender and any loan product of your choosing and the Financial Aid Office will process it in a timely manner.