Federal GradPLUS Loan Terms & Conditions:

- Federal GradPLUS is a federally backed, credit-based loan, offered by the U.S. Department of Education.
- Must maintain half-time enrollment, as determined by the specific program of study, in a degree seeking or approved certificate program.
- Loan Amount: Total cost of attendance for your specific program of study minus any other financial aid. Refer to your Financial Aid award in Access.SMU for the exact amount.
- Interest rate: 7.21% fixed.
- Loan Origination Fee: 4.292% which is automatically deducted prior to the disbursement release.
- Interest accrual – Interest accrual begins at the time of disbursement and only on funds actually disbursed. Interest does not accrue on funds which have been approved or scheduled to disburse in a future term. By default, accrued interest is capitalized quarterly and added back to the principle of the loan. Borrowers may elect to make interest only payments while in school to help manage overall debt levels when entering repayment.
- Repayment – Scheduled payments to any Grad PLUS loan disbursed after July 1, 2008 are deferred for a period of up to six months after graduation or from the point enrollment falls below half-time status. Borrower has the option to make payments while in school. Contact your lender or servicing agent for details. No penalty for early pay-off.

Application Instructions:

1) **Accept your GradPLUS/Private Loan eligibility in Access.SMU**: Remember, accepting your eligibility in Access.SMU does NOT establish the loan. The eligibility amount is given so that the borrower knows how much they are eligible to receive. In order to receive a GradPLUS loan, eligible borrowers must submit a "PLUS loan request" for credit approval. (see next step)

2) **Submit your Federal GradPLUS request for credit approval:**
   - Log into www.studentloans.gov.
   - Click on "***Request Direct PLUS Loan***" and follow instructions.
     - ***(Important note: You must submit a NEW GradPLUS application each time you wish to borrow. Do not request an increase to a previously approved GradPLUS loan.***
   - Submit your application for an immediate credit decision. **Do not log off** until you receive confirmation of your credit decision. If credit is approved, proceed to step 3. If credit is denied, you will be given additional information on how to appeal the credit decision or on submitting endorser (cosigner) information.

3) **Sign the Promissory Note:**
   - New borrowers will be prompted to sign a new promissory note.
   - Prior borrowers may or may not be required to sign a new promissory note depending on previous loan approvals. If you are unsure, you can log back in and check the prom note status from the main menu. You will also be notified by SMU if a promissory note is needed.

4) **Complete your Loan Entrance Counseling (LEC):** All borrowers are required to complete the initial loan entrance counseling prior to receiving loan funds. You are only required to complete the LEC once per school. If you have completed the LEC requirement during a prior term at SMU, you will not need to complete the LEC again.