

DIRECT LOAN BASICS FOR PARENTS

A simple and flexible
way to finance your
child's education

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

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How can Direct Loans help pay for college or career school expenses?

Direct Loans are federal loans that are made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school.

Direct Loans are:

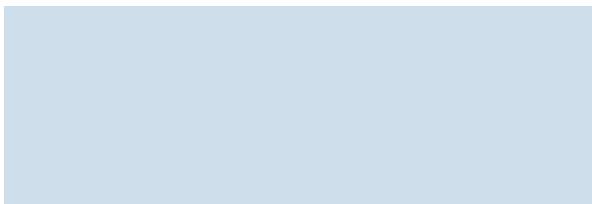
- **Simple** They are made available to students and parents of students attending college or career school.
- **Flexible** They can be used for a variety of educational expenses, including tuition, books, and other educational expenses.

What kinds of Direct Loans are available?

- **Direct Subsidized** Federal loans made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school.
- **Direct Unsubsidized** Federal loans made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school.
- **Direct PLUS** Federal loans made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school.
- **Direct Consolidation** Federal loans made available to students and parents of students attending college or career school. They are made available to students and parents of students attending college or career school.

What are the eligibility requirements for a parent to get a Direct PLUS Loan?

- You must be a U.S. citizen or permanent resident alien (including dual citizens), have a valid Social Security number, and be at least 18 years old.
- You must be a dependent of the student, or if you are a graduate or professional student, you must be a dependent of the student or you must be at least 24 years old, a single parent, or a head of household.
- You cannot be in default on a federal student loan (a



How much can I borrow?

When do I have to begin repaying my loan?

The answer depends on a Direct PLUS Loan. You will be required to begin repaying your loan when you are no longer a student. This means that you will have to begin repaying your loan when you graduate, leave school, or drop out of school. However, you may be able to defer repayment if you are still in school.

Can I transfer the loan to my child for repayment?

No. A Direct PLUS Loan made to a parent can only be repaid by the parent. You are not able to transfer a Direct PLUS Loan.

Can I ever postpone making loan payments?

You may defer your payments on a Direct Unsubsidized Loan if you are a borrower in active military service.

For example, you may qualify for a deferment under the following conditions:

- You are currently in active military service in the U.S. Armed Forces, U.S. Coast Guard, U.S. National Guard, or U.S. Air National Guard.
- You are currently in active military service in the U.S. Armed Forces, U.S. Coast Guard, U.S. National Guard, or U.S. Air National Guard, and you are a member of a reserve component of the U.S. Armed Forces, U.S. Coast Guard, U.S. National Guard, or U.S. Air National Guard.
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For more information, contact your lender.

Can my loan ever be canceled, discharged, or forgiven?

Yes, PLUS loans can be canceled, discharged, or forgiven. We can help you understand your options.

We can help you understand your options. We can help you understand your options.

We may discharge some or all of your loan if:

- The school is closed or has been closed for an extended period.
- The school is closed or has been closed for an extended period.
- You are a borrower who is discharged.
- You are a borrower who is discharged. Get more information at StudentAid.gov.

If you received a Direct Loan before the end of the school year, you may be eligible for a discharge. For more information, visit StudentAid.gov. You may be eligible for a discharge if you are a borrower who is discharged.

SAVE TIME AND MONEY WITH AUTOMATIC PAYMENT WITHDRAWAL

You can save time and money by setting up automatic payment withdrawal from your bank account. Contact your lender for more information.

CONTACTS

StudentAid.gov

Get the latest information about Federal
Pell Grants and education assistance,
including the basic allowance for
living expenses.

www.StudentLoans.gov

Get the latest information about
Federal Direct Loans and PLUS
Loans.

www.NSLDS.ed.gov

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