



## Federal Direct Parent PLUS Loans FREQUENTLY ASKED QUESTIONS

Please keep this information sheet with your other important financial aid papers.

### How to Obtain a Federal Parent PLUS Loan

- Complete the Federal Parent PLUS Loan request and Credit Authorization form and return it to the L3Harris Flight Academy Financial Aid Office. We will use the information on this form to inform the federal government of your interest in obtaining a loan and certify the student's planned enrollment and maximum Federal Parent PLUS Loan eligibility.
- If you have not already done so, complete a Federal Direct Parent PLUS Loan Master Promissory Note (MPN). Only first time Parent PLUS Loan borrowers and borrowers that used a co-signer on a previous Parent PLUS loan are required to complete an MPN. The MPN is your promise to repay the loan and is collected by the federal government. The MPN must be completed before the government will provide the Federal Parent PLUS Loan funds.

You may complete the Parent PLUS MPN in the following manner:

1. Visit [www.studentaid.gov](http://www.studentaid.gov) and select "Complete Aid Process" then "Complete Parent PLUS MPN"
2. Before you can start the Parent PLUS MPN, you will need to log in using your federal FSA ID. This is the FSA ID you used to sign the FAFSA. If you are not the parent that signed the FAFSA but are borrowing a Parent PLUS loan, you will need to obtain an FSA ID. To apply for an FSA ID visit <https://fsaid.ed.gov/npas/index.htm>.
3. Sign in and you will be directed back to the Parent PLUS MPN where you will be asked to confirm biographical information for you and the student.
4. Select "Aerosim Flight Academy" as the school you wish to borrow the Parent PLUS loan. The school code (**G41571**) and address should be displayed once you select the appropriate school.
5. Enter two references that you have known for at least 3 years. You will then need to review the terms and conditions of the Parent PLUS MPN and sign electronically to submit.
6. Completing the Parent PLUS MPN may take up to 30 minutes and must be completed in one session.

You may complete the Parent PLUS Loan request in the following manner:

1. Visit [www.studentaid.gov](http://www.studentaid.gov) and select “Apply for Aid” then “Apply for a Parent PLUS Loan”
2. Before you can apply for a Parent PLUS Loan, you will need to log in using your federal FSA ID.
3. Sign in and you will be directed back to the Parent PLUS Loan application.
4. Select the award year for which you are requesting the Parent PLUS Loan.
5. Confirm the student biographical information and answer additional questions related to the Parent PLUS Loan.
6. Select “Aerosim Flight Academy” as the school you wish to borrow the Parent PLUS loan. The school code (**G41571**) and address should be displayed once you select the appropriate school.
7. Enter the loan amount you are requesting from the Parent PLUS Loan. You may select the option to “borrow the maximum amount for which I’m eligible, as determined by the school” – this amount can be found on the estimated award letter provided by the financial aid office. You may also specify a loan amount you wish to borrow.
8. Enter the loan period for which you are enrolling. The loan period is determined by the student’s anticipated start date to 15 months after. Ex: Start date: 1/2020 to 4/2020.
9. Complete the application by inputting your biographical information, review and submit.

Your Federal Parent PLUS Loan will be sent electronically to the student’s account within the first 30 days after the student has begun classes. Parent PLUS loans are disbursed in two disbursements; the second disbursement will be scheduled to disburse 7.5 months after the program begins, however the student must meet the appropriate number of clock hours in the program to be eligible. Example: The full Professional Pilot Program is 658 clock hours; therefore, the student would need to reach 329 clock hours to be eligible for the second disbursements.

#### **Federal Parent PLUS Loan Terms**

- Maximum loan amount = cost of education minus any other financial aid received such as Pell Grants, Stafford Loans, Private Loans, scholarships, etc.
- Loan fee and fixed interest rate = Please visit [Parent PLUS Loans | Federal Student Aid](#) for the most recent updates or contact the L3Harris Flight Academy’s Financial Aid Office.
- Repayment begins within 60 days after the last disbursement. However, deferment options are available to postpone repayment to 6 months after student is no longer enrolled at least half-time.
- Standard repayment period is 10 years. Extended repayment period up to 25 years.
- Loan funds are provided by and repaid to the federal government.
- Visit <https://studentaid.gov/h/manage-loans> for more information on repaying your Parent PLUS Loan.

## **ELIGIBILITY**

Most parents of students who are US citizens or Permanent Residents may borrow funds through the Federal Parent PLUS Loan program.

- Biological or adoptive parents (or in some cases, the stepparent) of the student are eligible to apply for a Parent PLUS Loan.
- Your child must be a dependent undergraduate student who is enrolled at least half-time.
- The parent borrower must pass a credit check.

## **WHEN WILL REPAYMENT BEGIN?**

Payments will begin 60 days after the loan is fully disbursed for an academic year. Interest accrues as soon as the first disbursement is made. Parents have the option to defer payments on the Parent PLUS loan to 6 months after the student is no longer enrolled at least half time. You will have from 10 to 25 years to repay the loan depending upon the repayment plan you select.

## **WHEN WILL THE PARENT PLUS LOAN DISBURSE?**

In accordance with federal loan regulations and L3Harris Flight Academy's disbursement schedule, the loan will be applied to your student's account once all requirements are met. One-half of the loan will be disbursed at the beginning of the program (within the first 30 days) and the remaining half will be scheduled to be disbursed after 7 and 1/2 months of attendance (1/2 way through the award year). The student must also meet the appropriate number of clock hours in the program to be eligible for the 2<sup>nd</sup> disbursement. Example: The full Professional Pilot Program is 658 clock hours; therefore, the student would need to reach 329 clock hours to be eligible for the second disbursements.

## **CAN I REDUCE OR CANCEL MY PARENT PLUS LOAN IF ADDITIONAL FINANCIAL AID IS RECEIVED?**

Yes. You have the right to cancel or reduce your Federal Parent PLUS Loan at any time during the loan period. Contact the L3Harris Flight Academy Financial Aid Office for information on how to initiate a reduction or cancellation.

## **WHAT IF I WANT TO APPLY FOR ADDITIONAL PARENT PLUS LOAN FUNDS?**

You may apply for additional Parent PLUS loan funds by completing another Federal Parent PLUS Loan request and Credit Authorization form. The total amount of a Parent PLUS loan may not exceed the cost of attendance minus all other financial aid. Please note that your credit history may be reviewed again to determine your eligibility.

## **WHAT AM I CONSENTING TO BY SIGNING THE CREDIT AUTHORIZATION?**

Your consent verifies that you have read the Privacy Act disclosure as follows and give L3Harris Flight Academy permission to authorize the Department of Education to review your credit report:

The Privacy Act of 1974 (5 U.S.C.552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is §451 et seq. of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Direct Parent PLUS Loan. The information on this form will be used to determine your eligibility for a Direct Parent PLUS Loan. The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally

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published on April 12, 1994, Federal Register, Vol. 59 p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59 p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant, or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

#### **WHAT IF MY CREDIT IS DENIED?**

If your credit is denied, you will receive notification from the Direct Loan Servicer. You may choose from the following options:

- You may try to have a credit status override completed by the servicer. Please contact the Direct Loan Servicer at 1-800-557-7394 and Equifax (their credit bureau) at 1-800-685-5000
- You may provide documentation to the Direct Loan Servicer if you have extenuating circumstances. Your request for a Parent PLUS loan will be reviewed again by the servicer.
- You may have a third-party endorser co-sign the Parent PLUS loan application with you. In this case, please contact the Direct Loan Servicer at 1-500-557-7394.

#### **More information:**

More information about the Federal Parent PLUS Loan program is available from the Department of Education. Call 800-4FED-AID or visit [www.studentaid.gov](http://www.studentaid.gov).