



REED COLLEGE

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2006-07 Federal PLUS Loan Information and Application Instructions

PLUS Loans are for parents to assist them in meeting the educational costs for their dependent student. Beginning with the 2006-07 academic year, these loans have a fixed interest rate of 8.5% (Prior PLUS Loans still have a variable interest rate with a cap of 9.00%.) Loan repayment for a Federal PLUS Loan begins immediately and the first payment will be due within sixty days after full disbursement of the loan funds. Federal PLUS Loans borrowed through our recommended lenders are disbursed to the college via electronic funds transfer (EFT). A 3.00% origination fee and a 1.00% Federal Default Fee may be deducted from the loans prior to disbursement.

Eligibility

The amount a parent may borrow is determined by subtracting the total financial aid awarded to your son or daughter (including the Federal Stafford Loan and outside scholarships) from the total cost of attendance. As a parent borrower, you must be the student's natural or adoptive mother or father, be a U.S. citizen, U.S. national or eligible resident non-citizen, not be in default on any educational loan or owing a refund on any education grant, and not have an adverse credit history as defined by the U.S. Department of Education. A Free Application for Federal Student Aid (FAFSA) must be submitted to be eligible for a Federal PLUS Loan. For more information about the Federal PLUS Loan program, contact the financial aid office or one of the lenders on the other side of this form.

Application Instructions

1. **Choose** a lender. We suggest you choose one of our recommended lenders listed on the other side to ensure fast and accurate service. Choosing a different lender may result in slower processing and possible disbursement delays, particularly if your lender does not deliver funds by electronic funds transfer (EFT).
2. **Apply** at <http://web.reed.edu/financialaid>. You will find links where you can choose one of our recommended lenders and apply for a Federal PLUS Loan online. If you wish to borrow from another lender, please contact your chosen lender for application instructions. Most lenders allow you to apply for a Federal PLUS Loan online. If you do not wish to apply online, contact your chosen lender for application instructions. Many lenders offer the option to apply over the phone or will mail you an application.
3. **Sign** a Master Promissory Note (MPN). All of our recommended lenders offer online credit pre-approval. In most cases you can either sign your MPN electronically, download the MPN to sign and return to the lender, or have the lender mail an MPN to you. If you borrowed a Federal PLUS Loan in 2005-06 and borrow with the same lender for 2006-07, you should not have to sign another MPN.

2006-07 Federal PLUS Loan Lenders

Lender	PLUS Loan Borrower Benefits
<p>Citibank 1-800-967-2400 www.studentloan.com/schools/reed Servicer: Citibank Sells Loans: No Option to apply with an endorser: No</p>	<ul style="list-style-type: none"> • 0.50 % interest rate reduction after fully disbursed • An additional 0.50 % interest rate reduction for borrowers who use auto debit from a savings or checking account and who only receive their statements electronically
<p>National Education 1-800-345-4325 www.nationaled.net Servicer: National Education Sells Loans: No Option to apply with an endorser: Yes</p>	<ul style="list-style-type: none"> • 1.00% reduction of original loan balance upon entering repayment • 0.25% interest rate reduction for auto debit payments from checking or savings accounts • 1.00% interest rate reduction after first 24 on-time payments • An additional 1.00% interest rate reduction after first 48 on-time payments
<p>Wachovia Education Finance (formerly Educaid) 1-800-338-2243 www.wachovia.com/education Servicer: ACS Sells Loans: No Option to apply with an endorser: Yes</p>	<ul style="list-style-type: none"> • 1.00% rebate of original principle balance upon repayment • 1.00% rebate of original principle balance after 12 on time payments • 1.50% rebate of original principle balance after 24 on time payments
<p>Wells Fargo 1-800-658-3567 http://wfefs.wellsfargo.com/jump/reedfed.html Servicer: Wells Fargo Sells Loans: No Option to apply with an endorser: Yes</p>	<ul style="list-style-type: none"> • 0.25% interest rate reduction for auto debit payments from checking or savings accounts • 1.50% interest rate reduction after 36 consecutive on-time monthly payments

Note: Borrower benefit information is subject to change without notice and each benefit may not apply to all borrowers. Check with your lender for details and conditions regarding eligibility. If you default on your loan and it is purchased by the guarantor, any interest rate reductions will no longer be applicable.