



BABSON
 Student Financial Services
 2008-2009 Undergraduate
 Federal Parent PLUS Loan Options

Loan Program	Borrower	Interest Rate*	Fees	Repayment Term	Application Requirements
<i>Federal Parent PLUS Loan</i>	Parent of Undergraduate student (must be U.S. Citizen or national, a U.S. permanent resident, or eligible non-citizen); can add a credit worthy endorser if the parent's credit is not approved	Fixed: 8.50%	Origination fee: 3% Federal Default fee: 0-1% (depending on lender and guarantor) All fees will be deducted from the loan amount (i.e. 3-4% less is disbursed to the student's account)	10 years; Repayment begins 60 days after final disbursement, but can request in-school deferment while enrolled in at least 6 credits; Can extend repayment up to 25 years for loan balances over \$30,000; Interest will accrue upon disbursement and will capitalize once at repayment and at the end of any deferment or forbearance period; No penalty for early repayment or prepayment; Interest payments may be tax-deductible	Student must file FAFSA (www.fafsa.ed.gov) or sign Educational Affidavit and must be a dependent and under the age of 24; Must be enrolled in at least 6 credits; Parent must complete application and Master Promissory Note with their lender of choice; When applying for the full academic year, the two disbursements must be equal; Approval is based on borrower's good credit standing alone; No debt-to-income ratio or proof of employment required; Cannot have an adverse credit history (i.e., no more than 90 days late on any debt and no defaults, bankruptcies or other adverse action on any Title IV debt); If denied due to credit reasons, the student may be eligible for additional Unsubsidized Stafford Loan funds

Babson will process a loan from any lender, and it is your right to apply for loans through the lender of your choice without penalty.

We make the following recommendations of Federal Parent PLUS loan providers, although **you are in no way limited to** the suggested lenders and guarantors on this list:

Lender	Guarantor	Servicer	Fees	Repayment Term	Borrower Benefits*
<i>Citibank</i> 826878	EDFUND 706	Citibank	Origination fee: 3% Federal Default fee: 0% with EDFUND	10 years; Repayment begins 60 days after final disbursement, but can request in-school deferment while enrolled in at least 6 credits; Can extend repayment up to 25 years for loan balances over \$30,000	0.50% automatic interest rate reduction at repayment (benefit may be lost due to a late payment - if lost, the benefit can be recovered after 24 on-time monthly payments); 0.25% interest rate reduction for auto debit and online statements www.studentloan.com/schools/babson
<i>Citizens Bank</i> 810240	Texas Guaranteed Student Loan Corporation (TG) 748	Sallie Mae	Origination fee: 3% Federal Default fee: 0% with TG	10 years; Repayment begins 60 days after final disbursement, but can request in-school deferment while enrolled in at least 6 credits; Can extend repayment up to 25 years for loan balances over \$30,000	0.25% interest rate reduction for auto debit www.citizensbank.com/pf/studentloans
<i>Rhode Island Student Loan Authority</i> 828577	Rhode Island Higher Education Assistance Authority (RIHEAA) 744	Nelnet	Origination fee: 3% Federal Default fee: 0% with RIHEAA	10 years; Repayment begins 60 days after final disbursement, but can request in-school deferment while enrolled in at least 6 credits; Can extend repayment up to 25 years for loan balances over \$30,000	0.25% interest rate reduction for auto debit www.plusloan.com or www.risla.com

*last updated 9/5/2008, rates/benefits effective 7/1/2008, subject to change at any time