

## Options to Cover Balance Due

If, after factoring in outside scholarships you will receive and your family's own resources (including funds from prepaid tuition plans or 529 plans), you still need help financing your education at Hampden-Sydney College, the following options can be considered.

**Federal Direct PLUS (Parent) Loan (FAFSA filers only):** This loan is available to eligible parents who may borrow up to the cost of education less other financial aid. The interest rate for the 2021-2022 academic year is 6.28%, with a cap of 10.25%. An origination fee of 4.228%, in effect through September 30, 2021, is deducted from the loan. Repayment of principal and interest begins within 60 days following full disbursement of loan proceeds, with up to 10 years to repay. A deferral of repayment of this loan while the student is in school may be requested. The parent borrower must pass a credit check and must not have an adverse credit history. **Note: The credit check is good only for 180 days from the date of your application. Do not apply before April 25, 2021.**

If a parent will borrow the PLUS loan to cover all or part of the balance due, the parent must: SIGN onto <https://studentaid.gov/app/launchPLUS.action> using the [parent] FSA ID (or Username & Password).

- a) Select **Direct PLUS Loan Application for Parents**, and click **START**.
- b) Select the appropriate **Award Year**.
- c) **Specify a loan amount.** To determine the amount to request, factor in the 4.228% fee that will be deducted by the federal government. *For example, if you will need \$10,000 to cover the remaining balance on your son's tuition account, you should request \$10,441 (\$10,000 divided by .95772 – drop any calculated cents).*
  - If you are credit approved for this loan, you will be prompted to **Complete Loan Agreement** (Master Promissory Note) *if you have not already done so in a prior year.*
  - If you are not credit approved for this loan, you will be presented with several options.

**Tuition Payment Plan:** Hampden-Sydney College participates in an interest-free monthly payment plan. The plan permits you to budget annual charges (not including books), less any applicable financial aid, over a period of months. For further information, contact CASHNET toll free at (877) 821-0625. You may also contact Marianne Catron, Student Accounts Manager, 434-223-6223, [mcatron@hsc.edu](mailto:mcatron@hsc.edu).

**Private Loans:** Private Loans are offered by lending institutions and are not guaranteed by the federal government. These funds are available to students (with credit-worthy co-signers) or parents, who may not be eligible for federal financial aid, who may need to bridge the gap between the cost of education and other financial aid, or whose parent chooses not to borrow the Federal Direct PLUS Loan. The lender will interpret credit history and other factors to determine eligibility.

For more information about a private student loan, go to [www.hsc.edu/admissions-and-financial-aid/financial-aid/types-of-aid/loans/private-loans](http://www.hsc.edu/admissions-and-financial-aid/financial-aid/types-of-aid/loans/private-loans). When you are ready to begin your loan application, click on "Apply Now" and you will be directed to the appropriate link to start your loan application process. You are not required to borrow from any of the lenders listed. Hampden-Sydney College does not discriminate against any lender and will certify loans for any private lender which the student chooses.

**ATTENTION: For Direct PLUS and private loans, if you placed a freeze on your accounts with any or all of the major credit reporting agencies, you will need to contact the credit bureau(s) and request that the freeze be temporarily removed prior to when the PLUS or private loan credit application is completed. The process of unfreezing your credit could take up to 48 hours to go into effect.**