

# News Of Education

## A Loan That Can Be A Plus For Students

(NAPSA)—Families of college-bound students who find themselves short on funds have options available to them to help cover the cost of education.



**Parents can borrow a 6.79-percent PLUS loan to cover the cost of their child's education.**

One of the most affordable options is the federal Parent Loan for Undergraduate Students. Called a PLUS loan, this low-interest education loan allows parents to borrow up to the full cost of their child's college education—including tuition, room and board, less other student financial aid received. PLUS loans are not based on income or assets and borrowers do not need collateral.

These loans offer a competitive, variable interest rate—maximum 9 percent—that is adjusted each July and the interest may be tax deductible. PLUS loans disbursed between July 1, 2001 and June 30, 2002 carry an interest rate of 6.79 percent. Parents may take up to 10 years to repay the loan and there is no pre-payment penalty.

Sallie Mae, the nation's leading provider of education funding, offers free resources that help parents receive pre-approval and apply for PLUS loans over the telephone or online.

Parents can call the Parent Answer Service, a toll-free hotline staffed by financial aid counselors, to qualify and apply for a PLUS loan, 1-800-891-1410, 8 a.m.-9 p.m. ET, Mon.-Fri.

Families also can visit [www.parentanswer.com](http://www.parentanswer.com) or [www.wiredscholar.com](http://www.wiredscholar.com) to apply for a PLUS loan online.