



Direct Graduate Plus Loan Information

One of the eligibility requirements to receive a Direct Graduate Plus Loan is that the applicant must not have an adverse credit history. A credit check is performed to determine whether a Graduate Plus applicant meets this requirement. This document is to provide a better understanding of factors that might negatively impact being approved for a Graduate Plus Loan and your options if you are faced with a denial.

The Department of Education will check your credit history at the time your loan is originated. ***Loans are originated 10 days before classes start. This means you will not know if you are approved until 10 days before classes start.*** To be eligible to receive a Graduate Plus Loan, **you must not have an adverse credit history.**

The conditions listed below are considered adverse credit history and will result in being denied for a Graduate Plus Loan:

- Bankruptcy (Chapters 7, 11 or 12 within the last 5 years)
 - Lease of contract terminated by default
 - Country/State/Federal tax lien, within the last 5 years

If you are denied, you may still receive a Graduate Plus Loan if you have an endorser/cosigner who does not have an adverse credit history or someone who agrees to repay the Graduate Plus Loan for you.

What can you do if you are denied a Graduate Plus Loan?

- Utilize endorser who has a positive credit history
- Appeal the denial decision with the Department of Education

- Attempt to pay off unpaid collection accounts before applying for the loan
- If you have an account for more than 7.5 years since the first date of delinquency, you can request the credit bureaus to remove it

How long does information stay on my credit report?

What?