



Instructions to complete your Federal Direct Parent Plus Loan Master Promissory Note

Phone # for Dept. of Education – 1-800-557-7394

Loan proceeds will not disburse until both the Plus Loan Application & the Plus Master Promissory Note has been successfully completed.

Log into <http://studentaid.gov>

*You must have an FSA ID to log in and complete required steps for Federal Direct Plus Loan. If you DO NOT already have a FSA ID, create one at the green log in button. If you are creating a FSA ID for the first time, you will receive an email confirmation with your number before you can proceed. **(Be sure to use the parent's FSA ID – DO NOT use the student's FSA ID).***

A. Request a Plus Loan

On “Dashboard” of Studentaid.gov, click on **Menu** and select **Apply for Aid** located upper right of screen.

Select “**Apply for a Plus Loan**” and click “**Learn More**” button. You will scroll down some to find the blue “Start” button on right of page for the “**William D. Ford Federal Direct Loan Program: Federal Direct PLUS Loan Request for Supplemental Information**”.

STEP 1: LOAN INFORMATION

Complete the **STUDENT & LOAN INFO** section.

Select award year

Enter student's information

Review spelling of student's name & Social Security Number for accuracy

Select **Kentucky** for the *School State* and **Lindsey Wilson College** for the *School Name*.

Specify reason for submitting the Direct PLUS loan application

Enter loan amount or check maximum

Specify Loan Period

Answer deferment question

Complete Authorization for School to Use Loan Funds to Satisfy Other Charges.

Credit balance option

Click **Continue**

STEP 2: Borrower Information

Carefully review each section of your information and add anything that needs to be corrected.

STEP 3: Review

Carefully review each section of the application – Click “Edit” to make any necessary changes

Click **Continue**

STEP 4: CREDIT CHECK & SUBMIT

There is an **Important Notices** section that you must drop down every bolded box with dropdown icons (4 each).

Check three boxes to acknowledge you read the Important Notices, certify that the information provided is correct, and it gives permission to run credit check (Application can't be processed if left blank)

Click **Continue**

Result of credit check will be determined generally within 5 minutes. Result of all credit checks whether approved or denied are sent to school choice selected within 24 hours.

- If **APPROVED**, parent **MUST** complete a Federal Direct Parent Plus Master Promissory Note before loan can be disbursed to account. Instructions for Plus MPN are listed in Section B.
- If **DENIED**, student **MAY** be eligible for additional funds in the Federal Unsubsidized Direct Loan. A written request for additional funds **MUST** be submitted to Michelle Larimore in the Office of Student Financial Services. This request may be sent via email to larimore@lindsey.edu and **MUST** include the following:
 - Student's full name & LWC student ID#
 - Parent's full name that was used on Plus Loan Application & last four digits of parent's SSN
 - Exact amount of unsub loan request due to denied Plus Loan
 - Phone number you can be reached at

B. Master Promissory Note Review

On the “**Dashboard**” of Studentaid.gov, click on “**Complete Aid Process**” under the option “**Complete a Master Promissory Note (MPN)**” select “**MPN for Parents**”.

Select start button on right for **PLUS MPN for Parents of Dependent Undergraduate Student** in regards to the type of loan you would like to receive.

STEP 1: INFORMATION

Complete the **Citizenship Information, Contact Information, Driver's License Information, Current Addresses, Employer Information, Student Information, School Information, and Reference Information.**

School Information Note: Select **Kentucky** for *State* and **Lindsey Wilson College** for the *School Name*.

Click **Continue**.

STEP 2: REFERENCE INFORMATION

Provide information for two personal references.

Your references:

- Do not list the student for whom you are borrowing.
- Cannot share the same address or phone number
- Cannot have a non-U.S. address
- Must know you for more than three years
If you choose **OTHER** for the relationship to reference, you must indicate what the relationship is.
- Click **Continue**

STEP 3: Agreements

Review MPN Agreement (5 pages). Click **Continue**.

STEP 4: REVIEW & EDIT

Review the **Citizenship Information, Contact Information, Driver's License Information, Current Addresses, Employer Information, Student Information, School Information, and Reference Information.** Click **Edit** to make corrections to the necessary section.

Click **Continue**

STEP 5: SIGN & SUBMIT

Place a check mark in box to certify that you have read, understand, and agree to the terms and conditions of the MPN. Type name in bottom section of area as it appears at the top of that same page as “Borrower:”

Enter the parent's **First Name, Middle Initial, and Last Name** at the end of the page. This is the parent's electronic signature. Click **Sign**

A confirmation will be sent to the email address that was provided on the MPN.

Log Out of your *account*.

Please Note: Loans will not disburse until both the Plus Loan Application & Parent Plus MPN have been successfully completed.

Keep in mind: All Plus Loans have an origination/insurance fee of 4.228% so you may want to borrow some additional funds to cover this amount.

SAMPLE of how to figure the amount of Federal Direct Parent Plus Loan Amount Needed:

John Doe has a \$5,345 balance due on his Lindsey Wilson promissory note and his parent wants to cover this balance with a Federal Direct Parent Plus Loan. John's parent wants to include John's books (\$1000 in this example) and they also want to borrow enough to cover the 4.228% Federal Direct Parent Plus Loan fee. See how John's parent figured the amount he needs to borrow below:

\$5345.00 balance due on Lindsey Wilson promissory note + \$1000 for books = \$6345

Add the loan fee (4.228% of total loan which is deducted at disbursement) = \$6345 x 4.228% (or .04228) = \$268.27

\$5345 balance due + \$1000 books + \$268.27 Parent Plus Loan fee = **\$6613.27** total amount of Federal Direct Parent Plus Loan needed

Figure the amount of Federal Direct Parent Plus Loan you need with the following equation:

\$ _____ (Balance due to school) + \$ _____ (Amount allowed to cover books, if any) = \$ _____ (Total Loan needed)

\$ _____ (Total Loan needed) x 4.228% loan fee or .04228 = \$ _____

\$ _____ (Total Loan needed) + \$ _____ loan fee = \$ _____ (TOTAL FEDERAL DIRECT PARENT PLUS LOAN AMOUNT NEEDED TO COVER CHARGES)

(Feel free to include additional money for other school related expenses to this formula when determining total loan amount needed)

