

## Federal Direct Parent PLUS Loan Information and Instructions

Please Read the Information Carefully

The Federal Direct Parent PLUS Loan Program provides long-term, low-interest loans for parents, borrowed directly from the U.S. Department of Education. The Parent PLUS loan is available for the parents (natural or adoptive parent, and any step-parent whose information is on the FAFSA) of dependent undergraduate students only.

**All new parent borrowers will need to complete a Federal Direct Parent PLUS Loan electronic Master Promissory Note (eMPN).** Parents of continuing students who applied and were approved in a previous year **without** an Endorser **are not** required to complete a new eMPN. Parents of continuing students who were approved **with** an Endorser in a previous year **are required** to complete a new eMPN. **The eMPNs will be available for completion at the time of application.**

**\*Effective March 29, 2015 all parent borrowers who are approved based on an appeal or with an endorser are required to complete PLUS Loan Counseling.**

Information Needed:

- **Important:** The parent borrower will need their Federal Student Aid ID and password to complete the Parent PLUS loan application and electronically sign a **New** electronic Master Promissory Note (eMPN) for the Direct Loan Program. If the parent does not have a Federal Student Aid ID and password, one can be created by clicking on "Create an FSA ID" on the log in screen at <http://studentloans.gov>
- The parent borrower should have their Social Security Number, date of birth, and driver's license number accessible. Remember to always use your full legal name as it appears on your social security card.
- During the eMPN process, the parent borrower is required to provide two personal references with their full name, address, and telephone numbers. Each reference provided must have a U.S. address that is not the same as the student's address, and the two references may not reside at the same address.

If you have any questions, please call our office at the number below.

Student Financial Aid and Scholarships

**See reverse side for step by step instructions.**

## Step One: Accepting the Direct Parent PLUS Loan

Have your student review their Financial Aid Award on the MyUNT portal and accept all or a portion of their Direct Parent PLUS Loan offer. You are not required to accept the full amount offered. The PLUS amount can be reduced on myUNT and/or during the online application process (Step Two).

We advise you to apply for the amount needed for the full academic year (Fall and Spring) to avoid having to complete another PLUS Loan Request that could trigger a second credit check for the spring term.

Please Note: Summer is a separate term and will require an additional credit check should you choose to accept a new Parent PLUS Loan for that term.

## Step Two: Completing the Federal Direct Parent PLUS Loan Application and Credit Authorization

To complete the Application and Credit Authorization, go to: <http://studentloans.gov>. It is very important that the **PARENT**, not the student, log in using their FSA ID and password. To complete the application and credit authorization, click on the "**Apply for a Direct PLUS Loan**" link in the center column.

Click on the "**start**" button to the right of "**Direct PLUS Loan Application for Parents**". A new page will open and you will be asked to provide the following information:

- Enter Personal Information
- Enter Student & Loan Info
- Review Application
- Credit Check & Submit
- Parent credit is run and you will be notified immediately whether you are approved or denied. The credit decision is valid for 180 days.

If you were not credit approved, you will be offered options to apply with an Endorser or appeal the Credit Decision. It is strongly recommended that you do not select option 4 - "Undecided" as it will delay the processing of your loan application. **PLUS Counseling** is required if the U.S. Department of Education has informed you that you have an adverse credit history and you have obtained an endorser or documented to the satisfaction of the U.S. Department of Education that there are extenuating circumstances related to your adverse credit history.

## Step Three: Complete a New Electronic Master Promissory Note (eMPN)

This step is only required for **new parent borrowers, previous year parent borrowers with an endorser and if prior MPN is expired**.

To complete a new eMPN, go to: <http://studentloans.gov>.

After the **parent** signs in with their FSA ID and password, click on "**Complete Loan Agreement (Master Promissory Note)**". On the following page, scroll to the bottom and select the start button to the right of "**PLUS MPN for Parents**".

You will be asked to provide the following information:

- Enter Personal Information
- Provide Personal References
- Review Terms & Conditions of the Loan
- Review Personal Data Entered and Sign the MPN

The process may take an estimated 30 minutes. If you need to stop, click **Save and Exit** and information will be saved for you to return to complete the process. Parent PLUS Loan disbursement will occur once eMPN confirmation is received and the student is enrolled at least half-time (6 undergraduate hours).