



2008-2009

FEDERAL DIRECT PLUS LOAN INFORMATION FORM

Read all the information on the pages following this form. *Retain a copy for your records and refer to when completing the Master Promissory Note*

Student Name _____ ID#: _____

Parent Information: (only one parent applies; print legibly)

Name: _____

Social Security Number: _____ Birth Date _____

Home Address: _____

City/State/Zip: _____

Phone number: _____

Citizenship: (1) US: _____ (2) Elig. Non: _____ Alien Number _____

I wish to borrow: \$ _____ for the semesters indicated on the award notice

Parent signature _____

Credit check or loan origination will not occur without borrowers signature

- The amount requested will come in two equal disbursements, generally one in fall and one in spring unless otherwise requested for only one semester (ex: student is graduating in December) contact Dee King @ 248.204.2127 for this requested change.
- A 4% processing fee will be deducted from the gross disbursed amount.
- Funds will be disbursed directly to the school and credited to the student's outstanding account.
- Excess funds will be sent to the parent borrower unless directed to remain on student account or be refunded directly to student (form available on Lawrence Tech website)
- Repayment traditionally begins within 60 days of final disbursement or a deferment can be requested at this time as long as the student is enrolled at least half-time. Review the MPN for additional terms and conditions of this loan.

NOTICE: This form can not be accepted for processing a PLUS loan after the student has completed the present Academic Year; has ceased enrollment, or drops below half time.

Submit the completed information form to:

Lawrence Technological University

Enrollment Services

21000 West Ten Mile Rd.

Southfield, MI 48075

Or fax the form to: 248-204-2228

Who Can Borrow

A parent or stepparent of a dependent student may borrow under the PLUS program. PLUS applicants are subject to a credit check approvals.

The Loan Maximum is the student's cost of attendance minus other financial aid received for the loan period. You determine the amount to borrow based on the portion of your educational costs to be financed. Visit http://www.ltu.edu/financial_aid/estimate.asp for an example of how to estimate your amount.

Interest Rate and Fees

The interest rate is fixed at 7.9%. A 4% origination fee is withheld from the gross amount. Interest accrues from the date of the first disbursement.

Repayment

Payment begins 60 days after the loan is fully disbursed. Therefore, a loan for both fall and spring semesters is due after the spring portion is paid in January.

PLUS loan payment deferments are available. Parents borrowing a PLUS loan beginning July 1, 2008 may defer payments on interest only or both interest and principal while the student for whom the loan was borrowed for is enrolled at least half-time. Parents must request the deferment of payment from the Federal Direct Loan Servicer.

For additional information refer to the Direct Loan web site.

Application Process

- The parent borrower completes the information form and submits it to Lawrence Tech Enrollment Services. It may be faxed to 248-204-2228. All information must be complete and **legible**.
- Enrollment Services transmits the information to the Direct Loan processor where the credit check is done.
- The approval or denial is transmitted back to Enrollment Services. If the credit check is denied, the Direct Loan processor notifies you that the loan may still be approved with an endorser.
- If you forego an endorser, the student may be eligible for a Federal Direct Unsubsidized Stafford Loan. Enrollment Services will notify the student of this eligibility.

Promissory Note

A parent borrowing the first time must complete an electronic master promissory note (MPN). Once we receive acknowledgement of the signed MPN, the funds pay to the student's account (no earlier than 10 days prior to the start of the semester).

PLUS Master Promissory Note

A Master Promissory Note (MPN) is used to make one or more loans to the same borrower over one or more academic years. The Direct Loan Disclosure Statements and disbursement notices indicate the amounts of the individual loans you are taking under the MPN. This allows you to sign one MPN for all PLUS loans for the student on whose behalf you are borrowing. There is a ten year limit on the life of the note. You are agreeing to repay the U.S. Department of Education all loans made to you under the terms of the MPN and you understand that multiple loans may be made to you under this same MPN.

Because the MPN covers current and future loans, individual loan information cannot be displayed. You will receive Disclosure Statements for each new loan. This statement provides comprehensive information about the loan type, the amount, loan period and *expected* disbursements. It is important that you keep all of the statements you receive. When loan proceeds are paid, you will receive a disbursement notice from the Federal Direct Loan Program.

Signing the Note

- The parent borrower can electronically sign the Master Promissory note at any time. You do not have to wait for the PLUS Application to be processed.
- The parent borrower of the loan obtains a Federal PIN (www.pin.ed.gov)
- The parent borrower accesses the Direct Loan Master Promissory Note website at [Direct Loan Master Promissory Note](#) site.
- Click on “Complete New MPN for Parent PLUS Loans” toward the bottom of the left column
- The parent borrower uses his or her Federal PIN to access the MPN process.

Tips for Accessing the MPN Website

When you access the MPN website main page, select the section entitled “What You Need” from the left side menu. Here you will find technical information about what types of internet browsers work best for this site, a reminder to close pop-up blockers so that you will be able to access all necessary web pages, and how to obtain.

Adobe Reader if you do not have it installed on your computer. There is also a link to site assistance should you have further questions about technical aspects.

Tips for Successful MPN Signing

- The parent borrower information used to complete the MPN must match *exactly* the information on the PLUS information form submitted to Enrollment Services. Refer to your copy of the application when completing the MPN.
- Recheck the input of social security numbers and birth dates for accuracy. If the MPN information does not match the information in the loan system the promissory will

not be valid.

- **After receiving a Confirmation Number in Step 8, there are more steps.**
Minimize the Confirmation screen and proceed with the remaining screens. You are done when you see "Success! Now print your MPN."
- Print a copy of the note for your records.