



Student Financial Services (SFS)

Federal Direct Parent (PLUS) Loan Application Instructions

Filing the Free Application for Federal Student Aid ([FAFSA](#)) is required in order to process the Parent PLUS loan application. Please go to www.fafsa.ed.gov and file the [FAFSA](#) if the student did not already file.

When indicating the amount of loan monies you are requesting, please consider what you will need for the entire academic year. You may use the Student Budget Calculator enclosed in the Student Financial Services Newsletter or you may access the Student Budget Calculator by going to finaid.mercyhurst.edu and clicking on the [Tuition and Fees](#) link. You may also contact the Office of Student Financial Services and a counselor will assist you in determining the amount needed for the academic year.

Should you be denied for the Parent PLUS Loan, the student will automatically be offered an additional Unsubsidized Stafford Loan funds. Freshmen and sophomores may be eligible for a maximum of \$4,000 in additional funds. Juniors and seniors may be eligible for a maximum of \$5,000 in additional funds.

How to Apply for a Federal Direct PLUS Loan

To apply for a Federal Direct Loan, the student must complete the [FAFSA](#). In addition, parent borrowers must complete a [Federal Direct PLUS Loan Application Form](#) and submit it to the Office of Student Financial Services. In addition to the PLUS borrower being credit-worthy, to be eligible, the student must be enrolled at least half-time and meet other general federal student aid eligibility requirements. The [Federal Direct PLUS Loan Application Form](#) must be filled out each academic year.

E-sign the Federal Direct PLUS Loan Master Promissory Note (PLUS MPN)

Parents borrowing a Federal Direct PLUS Loan must complete a Federal Direct PLUS Loan Electronic master Promissory Note ([PLUS MPN](#)) before loan money can be disbursed. Once a Federal Direct Loan [PLUS MPN](#) is completed and the loan is disbursed to you by Mercyhurst College, you do not have to sign Federal Loan [PLUS MPN](#) again (it is valid for 10 years).

To complete the [PLUS MPN](#), you must go to www.dlenote.ed.gov. You will need your U.S. Department of Education [PIN](#) to sign your [PLUS MPN](#) electronically. After you sign your [PLUS MPN](#), electronic notification will be sent to Mercyhurst College. Mercyhurst College may not disburse the Federal Direct PLUS Loan unless the borrower has completed [PLUS MPN](#) and the loan is approved by the US Department of Education.

Additional Information

Go to finaid.mercyhurst.edu, click on [Types of Financial Aid](#) and then [Loans](#) for more information on student loans.



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■ Student Information

Name _____
Last First M.I. Mercyhurst E-mail

Student ID _____ Date of Birth _____ Phone No. () _____

Campus Attending _____

Status: U.S. Citizen _____ Eligible non-citizen A- _____

Is the student currently in *default* on a federal education loan or owing a refund on a federal student grant?

Yes _____ No _____

Student Signature _____ Date _____

■ Parent Information

Name _____
Last First M.I. E-mail

Permanent Address

Street _____

City, State, ZIP _____

Soc. Sec. No. _____ Date of Birth _____ Phone No. () _____

Are you currently in *default* on a federal education loan, or do you owe a refund on a federal student grant?

Yes _____ No _____

Have you ever had a previous educational loan discharged for total and permanent disability?

Yes _____ No _____

Status: U.S. Citizen _____ Eligible non-citizen A- _____

Parent Signature _____ Date _____

Loan Period _____

(e.g. Fall 2009, Winter 2010, Spring 2010, Summer 2010)

Requested Loan Amount \$ _____

(Loan disbursed in three payments—one per trimester)

PLUS Interest and Fees

The interest rate is a fixed 7.9% and is charged on the loan from the time the loan funds are disbursed until it is paid in full. In addition to interest, the Federal PLUS Loan has 4.0% origination fee. However, Federal Direct PLUS Loan borrowers will receive an upfront 1.5% rebate at the time of origination based on paying your first 12 monthly payments on time. Thus, the assessed fee to the borrower is only 2.5%. This fee reduces the amount that disburses to the student's account. For example, if \$5000 is borrowed under the Federal Direct PLUS Loan program, \$62.50 will be deducted from the student's loan amount and paid directly to the U.S. Department of Education. Please keep this in mind when figuring your loan request amount.

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Deadlines for the Federal Direct PLUS request form to be received by the Office of Student Financial Services:

Fall Term: October 27 Winter Term: February 3 Spring Term: April 14 Summer Term: June 30

Consent to Obtain Credit Report

I consent to the U.S. Department of Education and its agents obtaining a report of my credit record and using the information from that report in determining whether to grant a Direct PLUS Loan to me. I understand that I will be notified in writing of the results of the credit check with respect to my loan application.

Form fields for Social Security Number, Date of Birth, Last Name, First Name, M.I., Street, City, State, ZIP, Phone Number, E-mail, Signature of Borrower, and Today's Date.

Privacy Act Disclosure Notice: The Privacy Act of 1974 (5 U.S.C.552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is §451 et seq. of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Direct PLUS Loan. The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59 p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register Vol. 59 p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant, or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request. Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

Please return this form to the Office of Student Financial Services.

Mercyhurst College
Office of Student Financial Services
501 East 38th Street
Erie, PA 16146
Phone: (814) 824-2288
Fax: (814) 824-2072

North East:

Mercyhurst College North East
Office of Student Financial Services
16 W. Division Street
North East, PA 16428
Phone: (814) 725-6363
Fax: (814) 725-6375