

Direct Student Loan Instructions for the 2022-23 Academic Year

Federal Direct Student Loan

- Borrowed by student through the Federal Direct Loan Program; repayment deferred until after graduation (or if enrollment falls below half-time status). Consult your financial aid award letter for eligibility and amounts.
- The interest rate is 4.99% fixed for the 2022-23 academic year. A fee of 1.057% for loans first disbursed prior to 10/01/2022 is assessed by the Federal Government and is deducted from each loan disbursement.

First-time student borrowers at Hanover College must complete all steps below.

Step 1: Entrance Counseling (First-time Borrowers) <https://studentaid.gov>

If you borrowed a Direct Student Loan through Hanover College previously, you would not have to complete entrance counseling for this new loan. If you have not borrowed before, you must complete entrance counseling at <https://studentaid.gov>.

Sign in by clicking on the “**Log In**” box and provide your student FSA ID username and password; click on “**Complete Aid Process**” and “**first loan**” under ‘Complete Entrance Counseling.’ Click on “**START.**” Click on the choose a state drop down to choose “**Indiana**” and the search by school name drop down to choose “**Hanover College.**” Verify you have selected the correct school (School Code/Branch G01801) and click “**Notify This School.**” Select “**I am completing entrance counseling to receive Direct Loans as an undergraduate student.**” Click on “**Add Loan**” and select “**Direct Subsidized Loan.**” Continue reading the text and answering the ‘Check Your Knowledge’ questions. When you have completed entrance counseling you will see a statement informing you it was successfully completed. Please be sure to complete steps two and three below.

Step 2: Loan Agreement/Master Promissory Note (First-time Borrowers) <https://studentaid.gov>

If you borrowed a Direct Student Loan through Hanover College previously, you would not have to complete a new Loan Agreement/Master Promissory Note (MPN). If you have not borrowed before, you are required to complete a MPN on <https://studentaid.gov>. You will need the following to complete your MPN:

1. **Approximately 30 minutes to complete** – MPN must be completed in a single session; be sure you allow enough time.
2. **Personal Information** – Driver’s License Information, Permanent Address, Mailing Address (if different from permanent address), Telephone Number, Email Address.
3. **Reference Information for two people you have known for at least three years** – Reference Names, Reference Addresses, Reference Emails, Reference Telephone Numbers, Reference Relationships to student. (The first reference should be a parent or a legal guardian.)

Sign in by clicking on the “**Log In**” box and provide your student FSA ID username and password; click on “**Complete Aid Process**” and “**Complete a Master Promissory Note (MPN)**” under ‘Sign Loan Agreement.’ Click on “**Start**” next to ‘I’m and Undergraduate Student.’ Provide the information requested. Be sure to review before submitting.

You should consult your financial aid award letter to determine your eligibility, or you can find your loan eligibility amount at MyHanover > Administration tab > Financial Aid > Financial Aid Awards. You are encouraged to plan for the full year; loans requested for the full academic year will come in two disbursements.

Hanover College Office of Student Financial Services

Phone: 1-800-213-2178; Email: financialservices@hanover.edu

Student Loan Support Center 1-800-557-7394

(See back of page for Parent PLUS Loan Instructions)

Direct Parent Loan Instructions for the 2022-23 Academic Year

Federal Direct Parent PLUS Loan

- Borrowed by a parent/stepparent through the Federal Direct Loan Program.
- The interest rate is 7.54% fixed for the 2022-23 academic year. A fee of 4.228% for loans first disbursed prior to 10/01/2022 is assessed by the Federal Government and deducted from each loan disbursement.
- You may borrow up to the total cost of attendance minus any other financial aid.
- Repayment begins 60 days after the final disbursement of the loan but may be deferred until after the student graduates. Standard repayment is up to 10 years with extended plans available.

**First-time parent borrowers at Hanover College must complete all three steps below.
Previous borrowers complete only Steps 1 and 3.**

Step 1: Apply for PLUS Loan (All Borrowers) <https://studentaid.gov>

You will need the following information to apply for a PLUS Loan:

1. Approximately 20 minutes to complete – the Direct PLUS Loan Request must be completed in a single session; be sure to allow enough time.
2. Your parent FSA ID username and password.
3. Student Information – Student First Name, Middle Initial and Last Name, Student Social Security Number, Student Date of Birth, Student Permanent Address, Student Telephone Number. (Double check for accuracy student's social security number and date of birth.)
4. Personal Information – Permanent Address, Mailing Address (if different from permanent address), Telephone Number, Email Address.
5. Employer Information – Employer Name, Employer Address, Employer Telephone Number.

When you have gathered the information needed, go to <https://studentaid.gov>. This site will do the required credit check, which must be completed each year, to determine if the parent is approved for the PLUS Loan for the academic year.

Log in with your parent FSA ID username and password. Click on **"Apply for Aid"** and **"Apply for a Parent PLUS Loan"** and then **"START."** Provide the information requested.

- Select Award Year – 2022-2023 and then provide the requested information.
- School and Loan Information — Choose a state > Indiana Search school by name> Hanover College.
- Loan Amount Requested – There is a 4.228% origination fee that is deducted from the loan proceeds. You can calculate the amount you need by using the student's award letter and the Billing Estimator: www.hanover.edu/about/offices/business/estimator. This calculates the origination fee for you. You can also account for the origination fee by determining the amount you need to borrow and dividing that by 0.95772 if the loan will disburse prior to 10/01/2022 and requesting that amount. You are encouraged to plan for the full year; full academic year loans will come in two disbursements.
- Loan Period – Start date: August 2022; End date: May 2023.
- Make sure you click on **"Open Important Notices"** and read and agree to the two statements by clicking on the boxes.

If you are approved, first-time borrowers proceed to Step 2 and returning borrowers go to Step 3.

If you are denied, you may choose to proceed by selecting one of the following credit actions.

- Obtain an endorser (co-signer).❖
- Provide documentation of extenuating circumstances to appeal the denial.❖
 - ❖ If you are approved with an endorser or with an appeal you will need to complete PLUS Credit counseling. Click on **"Apply for Aid"** and **"Complete PLUS Credit Counseling"** and **"Start."**
- Will not pursue Direct PLUS Loan. If you choose not to pursue your student may be eligible for additional unsubsidized loan funds.
- Undecided.

Step 2: Loan Agreement/Master Promissory Note (First-time Borrowers) <https://studentaid.gov>

If you are a first-time borrower, there will be a link to the Loan Agreement/Master Promissory Note (MPN) at the bottom of the credit check approval page; follow the link to the MPN or click on **"Complete Aid Process"** and **"Complete a Master Promissory Note (MPN)"** under 'Sign Loan Agreement.' Click on **"Start"** next to 'I'm a Parent of and Undergraduate Student' and provide the information requested.

Step 3: Loan Request Form (All Borrowers) www.hanover.edu/loans

All parent borrowers **MUST** go to www.hanover.edu/loans and click on **"Federal Direct Parent PLUS Loan Program"** and then **"PLUS Loan Request Form (LRF)"** or scroll down the page. Enter your student's information, parent name, and amount requested and submit the form. If "Maximum" is entered, the total of direct billed costs and indirect costs minus other financial aid received will be certified.

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