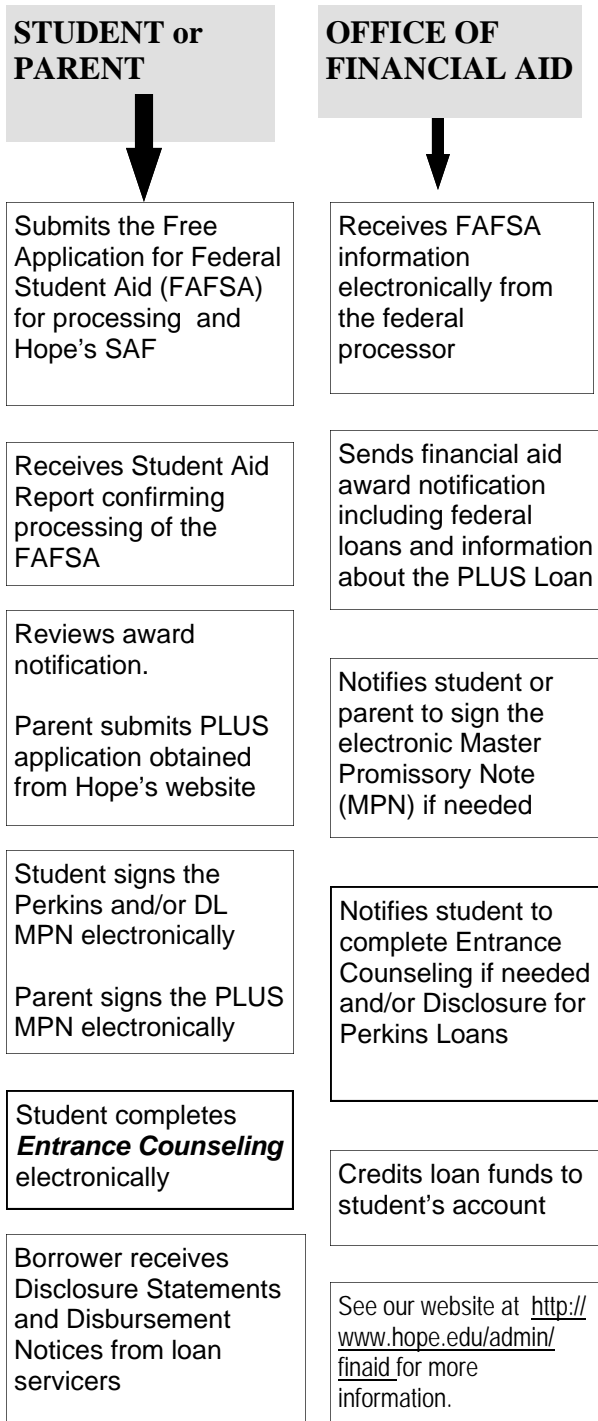


How It Works



How do I know how much to borrow?

The maximum amount of subsidized and/or unsubsidized Direct Loan you may borrow appears on your financial aid award notification. If you are receiving Federal Perkins loan, the amount appears on your financial aid award also.

The amount of PLUS loan your parent may borrow can be *estimated* by using the enclosed Expense Planner in the *Financing Your Hope College Education* brochure, or on our website at www.hope.edu/admin/finaid/ (click on Forms). The planner helps you to calculate at the maximum amount a parent may borrow.

Can I borrow less than the amount awarded to me?

Yes, use your Award Notification and submit it to us.

May I cancel all or a portion of the loan after it has been paid to my student account?

Yes, Direct Loans may be canceled within 120 days after it credits to your account without penalty. After 120 days, you are responsible for interest and loan fees on the portion that you canceled. Perkins Loans do not have any penalties but both types of loans must be canceled before the end of the loan period.

What happens if I receive additional scholarship funds after the loan has been processed?

Assistance received after your loan has been processed may require a reduction in the amount of loan funds originally offered. You are notified in writing of required award adjustments.

Where can I get more information about my loans?

By using your federal PINs, borrowers may access Perkins, Direct Loan and PLUS information from National Student Loan Database website at www.nslds.ed.gov.

Why do I have to do Entrance Counseling?

Entrance Counseling informs you of your rights and responsibilities as a first-time student borrower and is required before receiving loan funds. See the Office of Financial Aid website for the links to Entrance Counseling.

The Master Promissory Note (MPN) for Federal Direct Loan and Federal Perkins Loan Borrowers at Hope College



**Office of
Financial Aid**

Q: What is the Master Promissory Note and how does it work?

A: A promissory note is what a borrower signs as a promise to repay a loan. A Master Promissory Note (MPN) is used to make one or more loans to the same borrower over one or more academic years. Your award notification, and the disbursement notices from the Federal Loan Programs indicate the amounts of the individual loans you are taking under the MPN. This allows you to sign only one MPN while you are enrolled. (There is a ten year limit on the life of the note.)

Q: What am I agreeing to when I sign a MPN?

A: You are agreeing to repay the U.S. Department of Education the Direct Loan and Hope College the Perkins Loans made to you under the terms of the MPN. You are also attesting that you understand that multiple loans may be made to you under this same MPN.

Q: What types of loans does the MPN cover?

A: The Direct Loan MPN covers all Federal Direct Loans— Subsidized, Unsubsidized, and PLUS (Parent Loans). The Perkins MPN covers Federal Perkins Loans only.

Q: Since the MPN does not show the subsidized and/or unsubsidized Direct Loan, PLUS Loan, or Perkins Loan amounts or the loan period that I am agreeing to borrow, how do I know what that is?

A: Because the MPN covers current and future loans, individual loan information is not displayed. Only the loan amounts on your award letter or subsequent requests are processed. Additionally, you will receive Disclosure Statements and Disbursement Notices regarding each loan. These statements provide comprehensive information about the loan type, the amount, loan period and expected and actual disbursements. It is important that you keep all of the Disclosure and Disbursement Statements you receive.

Q: What if my grade level changes— if I move from freshman to sophomore status after the fall semester? How do I request additional subsidized or unsubsidized funds?

A: You can notify the Office of Financial Aid and request additional Direct Loan funds based on the higher grade level. You will not need to sign another MPN for the increased amount. The Office of Financial Aid will send you a revised award notification so you know that the loan request has been processed. The loan will then credit your student account. The same is true for additional PLUS requests. Perkins Loans are not tied to grade level.

Q: What if I am transferring to Hope from another school where I had loans?

A: If you had prior Federal Direct Loans and have a valid MPN on record with the federal loan origination center, you should not have to sign another one here. You will need to complete a Perkins Loan MPN at Hope if you receive the loan.

Q: What if I do not want to take the loan?

A: Decline the loan on your Hope Award Notification and return it to the Office of Financial Aid. You also may cancel your loan up to 120 days after disbursement without incurring fees. See Commonly Asked Questions.

More on these topics is available in the [Information Guide](#) that accompanies your first award notification and on the Office of Financial Aid website at www.hope.edu/admin.finaid.

Tips for Accessing the Direct Loan MPN Website

When you access the Direct Loan Master Promissory Note 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.

COMPLETING THE DIRECT LOAN MPN

Student Borrowers

You need a Federal PIN to access the promissory note online. This is the same PIN you used to sign the FAFSA on the Web. For help, go to <http://www.PIN.ed.gov>.

- Complete the promissory note electronically. See the link on our website: <http://www.hope.edu/admin/finaid/>.
- Select the Student MPN.
- Follow the directions on the screens and complete the items requested.
- Print a copy of the promissory note for your records before exiting the site.
- The Office of Financial Aid receives your promissory note signature in an electronic file.
- The Direct Loan cannot credit your student account without a signed MPN.

Parent Borrowers

You need a Federal PIN to access the promissory note online. This is the same PIN you used to sign the FAFSA on the Web. For help, go to <http://www.PIN.ed.gov>.

- Complete the promissory note electronically. See the link on our website: <http://www.hope.edu/admin/finaid/>.
- Select the Parent PLUS MPN.
- Follow the directions on the screens and complete items requested.
- Print a copy of the promissory note for your records before exiting the site.
- The Office of Financial Aid receives your promissory note signature in an electronic file to allow the PLUS Loan to credit your student's account.

COMPLETING THE PERKINS LOAN MPN

Your Perkins Loan MPN and Disclosure is available to sign when you received an email in your Hope College email account instructing you how to access the electronic site. UAS, the servicer for Perkins Loans, sends these emails beginning in June each year. First time borrowers must complete the MPN and Disclosure. Repeat borrowers must view the Disclosure. No Perkins Loan funds can credit your account until you have completed the requirement.