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Direct Loan Print Specifications

Note: Beginning in July 2006 for the 2005-2006 award year and forward, several Direct Loan documents are new or have been revised as a result of the Higher Education Reconciliation Act (HERA) of 2005. The following new/revised documents incorporate HERA specific changes and information, and must be included with the appropriate MPN correspondence packages:

- Addendum to the Direct Subsidized Loan/Direct Unsubsidized Loan Master Promissory Note
- Addendum to the Direct PLUS Loan Application, MPN, and Endorser Addendum
- Revised Plain Language Disclosure for Direct Loan PLUS
- Revised Plain Language Disclosure for Direct Loan Subsidized/Unsubsidized

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications		
Borrower Information		
Label and Position	Field	Print Instructions
BORROWER INFORMATION--- Line 1	Section Heading	From left to right, print label "BORROWER INFORMATION" succeeded by dashes across page
1. Name and Address Line 2, column 1	Data element label	From left to right in column 1, print data element label, "1. Name and Address"
1. Name and Address Line 5, column 1	Student Borrower's Last Name, First Name and Middle Initial	From left to right, print the Student Borrower's Last Name, First Name, and Middle Initial. Print a comma and space following Last Name and a space after the First Name. Left justify within the print field.
1. Name and Address Line 6, column 1	Student Borrower's Permanent Address OR Student Borrower's Local Address	From left to right, print the Student Borrower's Street Address. Left justify within the print field.
1. Name and Address Line 7, column 1	Student Borrower's Permanent City, State, and Zip Code OR Student Borrower's Local City, State, and Zip Code	From left to right, print the Student Borrower's City, Mailing State, and Zip Code. Separate each field with a space and follow city with a comma. Left justify within the print field.
2. Date of Disclosure Statement Line 2, column 2	Data element label	From left to right in column 2, print data element label "2. Date of Disclosure Statement"
2. Date of Disclosure Statement Line 5, column 2	Date Disclosure Statement is printed.	Print date in MM/DD/CCYY format.
3. Area Code/Telephone Number Line 7, column 2	Data element label	From left to right in column 2, print label "3. Area Code/Telephone Number"

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications**Borrower Information**

Label and Position	Field	Print Instructions
3. Area Code/Telephone Number Line 8, column 2	Student Borrower's Permanent Telephone Number	Print the Student Borrower's Permanent Telephone Number in (999) 999-9999 format.

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

School Information

Label and Position	Field	Print Instructions
SCHOOL INFORMATION--- Line 9	Section Heading	From left to right, print section heading "SCHOOL INFORMATION" succeeded by dashes across the page
4. School Name and Address Line 10, column 1	Data element label	From left to right in column 1, print data element label "4. School Name and Address"
4. School Name and Address Line 11, column 1	School Name	From left to right, print the School Name associated with the Direct Loan School Code on the Origination. Left justify within the print field
4. School Name and Address Line 12, column 1	School Address	From left to right, print the School's Street Address. Left justify within the print field
4. School Name and Address Line 13, column 1	School Address	From left to right, print the school's city, state, and zip code associated with the Direct Loan School Code above. Separate each field with a space and follow city with a comma. Left justify within the print field
5. School Code/Branch Line 10, column 2	Data element label	From left to right in column 2, print data element label "5. School Code/Branch"
5. School Code/Branch Line 12, column 2	Direct Loan School Code	Print the Direct Loan School Code on the origination.

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Loan Information

Label and Position	Field	Print Instructions
LOAN INFORMATION— Line 14	Section Heading	From left to right, print section heading “LOAN INFORMATION” succeeded by dashes across the page.
6. Loan Identification Number(s) Line 15, column 1	Data element label	From left to right in column 1, print label “6. Loan Identification Number(s)”
6. Loan Identification Number(s) Line 16, column 1	Award ID (Loan ID)	Print the Award ID (Loan ID) of Subsidized loan record in 999999999S09X99999999 format.
6. Loan Identification Number(s) Line 17, column1	Award ID (Loan ID)	Print the Award ID (Loan ID) of Unsubsidized loan record in 999999999U09X99999999 format
7. Loan Period(s) Line 15, column 2	Data element label	From left to right in column 2, print data element label “7. Loan Period(s)”
7. Loan Period(s) Line 16, column 2	Award Start and End Date (Loan Period Start and End Date)	Print Award Start and End Date (Loan Period Start and End Date) of Subsidized loan record in MM/DD/CCYY – MM/DD/CCYY format.
7. Loan Period(s) Line 17, column 2	Award Start and End Date (Loan Period Start and End Date)	Print Award Start and End Date (Loan Period Start and End Date)of Unsubsidized loan record in MM/DD/CCYY – MM/DD/CCYY format.
8. Loan Fee % Line 15, column 3	Data element label	From left to right in column 3, print label “8. Loan Fee %”
8. Loan Fee % Line 16, column 3	Loan Fee Percentage	Print Loan Fee Rate of Subsidized loan record in 9.999 % format.
8. Loan Fee % Line 17, column 3	Loan Fee Percentage	Print Loan Fee Rate of Unsubsidized loan record in 9.999 % format.
----- Line 18	Section separator	From left to right, print dashes across page to form a separator line.
9. Information about the loan(s) that your school plans to disburse (payout) follows. This information is explained in detail on the back. The actual disbursement dates and amounts may be different than the dates and amounts below. Your school and the Direct Loan Servicing Center will notify you of the actual disbursement dates and amounts. Line 19, 20, 21 and 22	Text Statement	From left to right, print statements “9. Information about the loan(s) that your school plans to disburse (payout) follows. This information is explained in detail on the back. The actual disbursement dates and amounts may be different than the dates and amounts below. Your school and the Direct Loan Servicing Center will notify you of the actual disbursement dates and amounts.”
Line 23	Blank line	Insert a blank line

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct Subsidized Loan

Label and Position	Field	Print Instructions
Direct Line 24, column 1	Label	From left to right in column 1, print the label "Direct"
Subsidized Line 25, column 1	Label	From left to right in column 1, print the label "Subsidized"
Loan Line 26, column 1	Label	From left to right in column 1, print the label "Loan"
Gross Loan Amount Line 24, column 2	Column heading	From left to right in column 2, print the label "Gross Loan Amount"
- Line 24	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 24, column 3	Column heading	From left to right in column 3, print the heading "Loan Fee Amount"
+ Line 24	Plus sign	Print the Plus sign "+"
Interest Rebate Amount Line 24, column 4	Column heading	From left to right in column 4, print the heading "Interest Rebate Amount"
= Line 24	Equal sign	Print the equal sign "="
Net Loan Amount Line 24, column 5	Column heading	From left to right in column 5, print the heading "Net Loan Amount"
Gross Loan Amount Line 25, column 2	Total gross loan amount	Print total anticipated disbursement gross amount of Subsidized loan record in \$99999.99 format
- Line 25	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 25, column 3	Total loan fee amount	Print total anticipated disbursement loan fee amount of Subsidized loan record in \$99999.99 format
+ Line 25	Plus sign	Print the Plus sign "+"
Interest Rebate Amount Line 25, column 4	Total interest rebate amount	Print total anticipated disbursement interest rebate amount of Subsidized loan record in \$99999.99 format
= Line 25	Equal sign	Print the equal sign "="
Net Loan Amount Line 25, column 5	Total net loan amount	Print total anticipated disbursement net amount of Subsidized loan record in \$99999.99 format
Your school plans to disburse the Net Loan Amount as follows: Line 27	Text Statement	From left to right starting in column 2, print statement "Your school plans to disburse the Net Loan Amount as follows:"
Line 28	Blank line	Insert a blank line
Date Line 29, column 2	Column Heading	In column 2, print heading "Date"
Net Disbursement Amount Line 29, column 3	Column Heading	In column 3, print heading "Net Disbursement Amount"
Date Line 29, column 4	Column Heading	In column 4, print heading "Date"

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct Subsidized Loan

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 29, column 5	Column Heading	In column 5, print heading "Net Disbursement Amount"
Date Line 30, column 2	1st Anticipated Disbursement Date	Print 1st Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 30, column 3	1st Anticipated Net Disbursement Amount	Print 1st Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 31, column 2	2nd Anticipated Disbursement Date	Print 2nd Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 31, column 3	2nd Anticipated Net Disbursement Amount	Print 2nd Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 32, column 2	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 32, column 3	3rd Anticipated Net Disbursement Amount	Print 3rd Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 33, column 2	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 33, column 3	4th Anticipated Net Disbursement Amount	Print 4th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 34, column 2	5th Anticipated Disbursement Date	Print 5th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 34, column 3	5th Anticipated Net Disbursement Amount	Print 5th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 35, column 2	6th Anticipated Disbursement Date	Print 6th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 35, column 3	6th Anticipated Net Disbursement Amount	Print 6th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 36, column 2	7th Anticipated Disbursement Date	Print 7th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 36, column 3	7th Anticipated Net Disbursement Amount	Print 7th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 37, column 2	8th Anticipated Disbursement Date	Print 8th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 37, column 3	8th Anticipated Net Disbursement Amount	Print 8th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 38, column 2	9th Anticipated Disbursement Date	Print 9th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications**Chart of Anticipated Disbursements Direct Subsidized Loan**

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 38, column 3	9th Anticipated Net Disbursement Amount	Print 9th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 39, column 2	10th Anticipated Disbursement Date	Print 10th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 39, column 3	10th Anticipated Net Disbursement Amount	Print 10th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 30, column 4	11th Anticipated Disbursement Date	Print 11th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 30, column 5	11th Anticipated Net Disbursement Amount	Print 11th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 31, column 4	12th Anticipated Disbursement Date	Print 12th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 31, column 5	12th Anticipated Net Disbursement Amount	Print 12th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 32, column 4	13th Anticipated Disbursement Date	Print 13th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 32, column 5	13th Anticipated Net Disbursement Amount	Print 13th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 33, column 4	14th Anticipated Disbursement Date	Print 14th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 33, column 5	14th Anticipated Net Disbursement Amount	Print 14th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 34, column 4	15th Anticipated Disbursement Date	Print 15th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 34, column 5	15th Anticipated Net Disbursement Amount	Print 15th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 35, column 4	16th Anticipated Disbursement Date	Print 16th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 35, column 5	16th Anticipated Net Disbursement Amount	Print 16th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 36, column 4	17th Anticipated Disbursement Date	Print 17th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 36, column 5	17th Anticipated Net Disbursement Amount	Print 17th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 37, column 4	18th Anticipated Disbursement Date	Print 18th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications**Chart of Anticipated Disbursements Direct Subsidized Loan**

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 37, column 5	18th Anticipated Net Disbursement Amount	Print 18th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 38, column 4	19th Anticipated Disbursement Date	Print 19th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 38, column 5	19th Anticipated Net Disbursement Amount	Print 19th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Date Line 39, column 4	20th Anticipated Disbursement Date	Print 20th Anticipated Disbursement Date of Subsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 39, column 5	20th Anticipated Net Disbursement Amount	Print 20th Anticipated Net Disbursement Amount of Subsidized loan record in \$99999.99 format
Line 40	Blank line	Insert a blank line

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct Unsubsidized Loan

Label and Position	Field	Print Instructions
Direct Line 41, column 1	Label	From left to right in column 1, print the label "Direct"
Unsubsidized Line 42, column 1	Label	Print and left justify the label "Unsubsidized"
Loan Line 43, column 1	Label	Print and left justify the label "Loan"
Gross Loan Amount Line 41, column 2	Column heading	From left to right in column 2, print the heading "Gross Loan Amount"
- Line 41	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 41, column 3	Column heading	From left to right in column 3, print the heading "Loan Fee Amount"
+ Line 41	Plus sign	Print the Plus sign "+"
Interest Rebate Amount Line 41, column 4	Column heading	From left to right in column 4, print the heading "Interest Rebate Amount"
= Line 41	Equal sign	Print the equal sign "="
Net Disbursement Amount Line 41, column 5	Column heading	From left to right in column 5, print the heading "Net Disbursement Amount"
Gross Loan Amount Line 42, column 2	Total gross loan amount	Print total anticipated gross loan amount of Unsubsidized loan record in \$99999.99 format
- Line 42	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 42, column 3	Total loan fee amount	Print total anticipated loan fee amount of Unsubsidized loan record in \$99999.99 format
+ Line 42	Plus sign	Print the Plus sign "+"
Interest Rebate Amount Line 42, column 4	Total interest rebate amount	Print total anticipated interest rebate amount of Unsubsidized loan record in \$99999.99 format
= Line 42	Equal sign	Print the equal sign "="
Net Disbursement Amount Line 42, column 5	Total net loan amount	Print total anticipated net loan amount of Unsubsidized loan record in \$99999.99 format
Your school plans to disburse the Net Loan Amount as follows: Line 44	Statement	From left to right starting in column 2, print statement "Your school plans to disburse the Net Loan Amount as follows:"
Line 45	Blank line	Insert a blank line
Date Line 46, column 2	Column heading	In column 2, center heading "Date"
Net Disbursement Amount Line 46, column 3	Column heading	In column 3, center heading "Net Disbursement Amount"

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct Unsubsidized Loan

Label and Position	Field	Print Instructions
Date Line 46, column 4	Column heading	In column 4, center heading "Date"
Net Disbursement Amount Line 46, column 5	Column heading	In column 5, center heading "Net Disbursement Amount"
Date Line 47, column 2	1st Anticipated Disbursement Date	Print 1st Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 47, column 3	1st Anticipated Net Disbursement Amount	Print 1st Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 48, column 2	2nd Anticipated Disbursement Date	Print 2nd Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 48, column 3	2nd Anticipated Net Disbursement Amount	Print 2nd Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 49, column 2	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 49, column 3	3rd Anticipated Net Disbursement Amount	Print 3rd Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 50, column 2	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 50, column 3	4th Anticipated Net Disbursement Amount	Print 4th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 51, column 2	5th Anticipated Disbursement Date	Print 5th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 51, column 3	5th Anticipated Net Disbursement Amount	Print 5th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 52, column 2	6th Anticipated Disbursement Date	Print 6th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 52, column 3	6th Anticipated Net Disbursement Amount	Print 6th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 53, column 2	7th Anticipated Disbursement Date	Print 7th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 53, column 3	7th Anticipated Net Disbursement Amount	Print 7th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 54, column 2	8th Anticipated Disbursement Date	Print 8th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 54, column 3	8th Anticipated Net Disbursement Amount	Print 8th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 55, column 2	9th Anticipated Disbursement Date	Print 9th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct Unsubsidized Loan

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 55, column 3	9th Anticipated Net Disbursement Amount	Print 9th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 56, column 2	10th Anticipated Disbursement Date	Print 10th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 56, column 3	10th Anticipated Net Disbursement Amount	Print 10th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 47, column 4	11th Anticipated Disbursement Date	Print 11th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 47, column 5	11th Anticipated Net Disbursement Amount	Print 11th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 48, column 4	12th Anticipated Disbursement Date	Print 12th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 48, column 5	12th Anticipated Net Disbursement Amount	Print 12th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 49, column 4	13th Anticipated Disbursement Date	Print 13th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 49, column 5	13th Anticipated Net Disbursement Amount	Print 13th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 50, column 4	14th Anticipated Disbursement Date	Print 14th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 50, column 5	14th Anticipated Net Disbursement Amount	Print 14th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 51, column 4	15th Anticipated Disbursement Date	Print 15th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 51, column 5	15th Anticipated Net Disbursement Amount	Print 15th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 52, column 4	16th Anticipated Disbursement Date	Print 16th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 52, column 5	16th Anticipated Net Disbursement Amount	Print 16th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 53, column 4	17th Anticipated Disbursement Date	Print 17th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 53, column 5	17th Anticipated Net Disbursement Amount	Print 17th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 54, column 4	18th Anticipated Disbursement Date	Print 18th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format

Direct Loan Subsidized/Unsubsidized Disclosure Statement Print Specifications**Chart of Anticipated Disbursements Direct Unsubsidized Loan**

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 54, column 5	18th Anticipated Net Disbursement Amount	Print 18th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 55, column 4	19th Anticipated Disbursement Date	Print 19th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 55, column 5	19th Anticipated Net Disbursement Amount	Print 19th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format
Date Line 56, column 4	20th Anticipated Disbursement Date	Print 20th Anticipated Disbursement Date of Unsubsidized loan record in MM/DD/CCYY format
Net Disbursement Amount Line 56, column 5	20th Anticipated Net Disbursement Amount	Print 20th Anticipated Net Disbursement Amount of Unsubsidized loan record in \$99999.99 format

Direct Loan PLUS Disclosure Statement Print Specifications

Direct Loan PLUS Disclosure Statement Print Specifications		
Borrower Information		
Label and Position	Field	Print Instructions
BORROWER INFORMATION--- Line 1	Section Heading	From left to right, print label “BORROWER INFORMATION” succeeded by dashes across page
1. Name and Address Line 2, column 1	Data element label	From left to right in column 1, print data element label, “1. Name and Address”
1. Name and Address Line 5, column 1	Parent Borrower’s Last Name, First Name and Middle Initial	From left to right, print the Parent Borrower’s Last Name, First Name, and Middle Initial. Print a comma and space following Last Name and a space after the First Name. Left justify within the print field.
1. Name and Address Line 6, column 1	Parent Borrower’s Permanent Address	From left to right, print the Parent Borrower’s Street Address. Left justify within the print field.
1. Name and Address Line 7, column 1	Parent Borrower’s Permanent City, State, and Zip Code	From left to right, print the Parent Borrower’s City, Mailing State, and Zip Code. Separate each field with a space and follow city with a comma. Left justify within the print field.
2. Date of Disclosure Statement Line 2, column 2	Data element label	From left to right in column 2, print data element label “2. Date of Disclosure Statement”
2. Date of Disclosure Statement Line 5, column 2	Date Disclosure Statement is printed.	Print date in MM/DD/CCYY format.
3. Area Code/Telephone Number Line 7, column 2	Data element label	From left to right in column 2, print label “3. Area Code/Telephone Number”
3. Area Code/Telephone Number Line 8, column 2	Parent Borrower’s Permanent Telephone Number	Print the Parent Borrower’s Permanent Telephone Number in (999) 999-9999 format.

Direct Loan PLUS Disclosure Statement Print Specifications

School Information

Label and Position	Field	Print Instructions
SCHOOL INFORMATION--- Line 11	Section Heading	From left to right, print section heading "SCHOOL INFORMATION" succeeded by dashes across the page
4. School Name and Address Line 12, column 1	Data element label	From left to right in column 1, print data element label "4. School Name and Address"
4. School Name and Address Line 13, column 1	School Name	From left to right, print the School Name. Left justify within the print field
4. School Name and Address Line 14, column 1	School Address	From left to right, print the School's Street Address. Left justify within the print field
4. School Name and Address Line 15, column 1	School Address	From left to right, print the school's city, state, and zip code. Separate each field with a space and follow city with a comma. Left justify within the print field
5. School Code/Branch Line 12, column 2	Data element label	From left to right in column 2, print data element label "5. School Code/Branch"
5. School Code/Branch Line 13, column 2	Direct Loan School Code	Print the Direct Loan School Code associated with the origination record.

Direct Loan PLUS Disclosure Statement Print Specifications

Student Information

Label and Position	Field	Print Instructions
STUDENT INFORMATION--- Line 16	Section Heading	From left to right, print section heading "STUDENT INFORMATION" succeeded by dashes across the page
6. Student's Name Line 17, column 1	Data element label	From left to right in column 1, print data element label "4. Student's Name"
6. Student's Name Line 18, column 1	Student's Name	From left to right, print the Student's Last Name, First Name, and Middle Initial. Print a comma and space following Last Name and a space after the First Name. Left justify within the print field.
7. Student's Social Security Number Line 17, column 2	Data element label	From left to right in column 2, print data element label "7. Student's Social Security Number"
7. Student's Social Security Number Line 18, column 2	Student's Social Security Number	Print Social Security Number in 999-99-9999 format
8. Student's Date of Birth Line 19, column 1	Data element label	From left to right in column 1, print data element label "8. Student's Date of Birth"
8. Student's Date of Birth Line 20, column 1	Student's Date of Birth	Print date in MM/DD/CCYY format.

Direct Loan PLUS Disclosure Statement Print Specifications

Loan Information

Label and Position	Field	Print Instructions
LOAN INFORMATION— Line 22	Section Heading	From left to right, print section heading “LOAN INFORMATION” succeeded by dashes across the page.
9. Loan Identification Number Line 23, column 1	Data element label	From left to right in column 1, print label “9. Loan Identification Number”
9.. Loan Identification Number(s) Line 24, column 1	Award ID (Loan ID)	Print the Award ID (Loan ID) of PLUS loan in 999999999P09X99999999 format.
10. Loan Period Line 23, column 2	Data element label	From left to right in column 2, print data element label “10. Loan Period”
10. Loan Period Line 24, column 2	Loan Period Start and End Date	Print Loan Award Start and End Date (Loan Period Start and End Date) of PLUS record in MM/DD/CCYY – MM/DD/CCYY format.
11. Loan Fee % Line 23, column 3	Data element label	From left to right in column 3, print label “11. Loan Fee %”
11. Loan Fee % Line 24, column 3	Loan Fee Percentage	Print Loan Fee Rate of PLUS loan record in 9.999 % format.
----- Line 26	Section separator	From left to right, print dashes across page to form a separator line.
12. Information about the loan that the school plans to disburse (payout) follows. This information is explained in detail on the back. The actual disbursement dates and amounts may be different than the dates and amounts shown below. The school and the Direct Loan Servicing Center will notify you of the actual disbursement dates and amounts. Line 27, 28, 29 and 30	Text Statement	From left to right, print statements “12. Information about the loan that the school plans to disburse (payout) follows. This information is explained in detail on the back. The actual disbursement dates and amounts may be different than the dates and amounts shown below. The school and the Direct Loan Servicing Center will notify you of the actual disbursement dates and amounts.”
Line 31	Blank line	Insert a blank line

Direct Loan PLUS Disclosure Statement Print Specifications

Chart of Anticipated Disbursements Direct PLUS Loan

Label and Position	Field	Print Instructions
Direct Line 32, column 1	Label	From left to right in column 1, print the label "Direct"
PLUS Line 33, column 1	Label	From left to right in column 1, print the label "PLUS"
Loan Line 34, column 1	Label	From left to right in column 1, print the label "Loan"
Gross Loan Amount Line 32, column 2	Column heading	From left to right in column 2, print the label "Gross Loan Amount"
- Line 32	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 32, column 3	Column heading	From left to right in column 3, print the heading "Loan Fee Amount"
+ Line 32	Plus sign	Print the plus sign "+"
Interest Rebate Amount Line 32, column 4	Column heading	From left to right in column 4, print the heading "Interest Rebate Amount"
= Line 32	Equal sign	Print the equal sign "="
Net Loan Amount Line 32, column 5	Column heading	From left to right in column 5, print the heading "Net Loan Amount"
Gross Loan Amount Line 33, column 2	Total gross loan amount	Print total gross award amount of PLUS loan record in \$99999.99 format
- Line 33	Minus sign	Print the minus sign "-"
Loan Fee Amount Line 33, column 3	Total loan fee amount	Print total loan fee amount (total loan fee for all anticipated disbursements) of PLUS loan record in \$99999.99 format
+ Line 33	Plus sign	Print the Plus sign "+"
Interest Rebate Amount Line 33, column 4	Total interest rebate amount	Print total interest rebate amount (total interest rebate amount for all anticipated disbursements) of PLUS loan record in \$99999.99 format
= Line 33	Equal sign	Print the equal sign "="
Net Loan Amount Line 33, column 5	Total net loan amount	Print total net amount (total net amount for all anticipated disbursements) of PLUS loan record in \$99999.99 format
Line 34	Blank line	Insert a blank line
The school plans to disburse the Net Loan Amount as follows: Line 35	Text Statement	From left to right starting in column 2, print statement "Your school plans to disburse the Net Loan Amount as follows:"
Line 36	Blank line	Insert a blank line
Date Line 37, column 2	Column Heading	In column 2, print heading "Date"

Direct Loan PLUS Disclosure Statement Print Specifications**Chart of Anticipated Disbursements Direct PLUS Loan**

Label and Position	Field	Print Instructions
Net Disbursement Amount Line 37, column 3	Column Heading	In column 3, print heading "Net Disbursement Amount"
Date Line 38, column 2	1st Anticipated Disbursement Date	Print 1st Anticipated Disbursement Date of PLUS loan record in MM/DD/CCYY format
Net Disbursement Amount Line 38, column 3	1st Anticipated Net Disbursement Amount	Print 1st Anticipated Net Disbursement Amount of PLUS loan record in \$99999.99 format
Date Line 39, column 2	2nd Anticipated Disbursement Date	Print 2nd Anticipated Disbursement Date of PLUS loan record in MM/DD/CCYY format
Net Disbursement Amount Line 39, column 3	2nd Anticipated Net Disbursement Amount	Print 2nd Anticipated Net Disbursement Amount of PLUS loan record in \$99999.99 format
Date Line 40, column 2	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date of PLUS loan record in MM/DD/CCYY format
Net Disbursement Amount Line 40, column 3	3rd Anticipated Net Disbursement Amount	Print 3rd Anticipated Net Disbursement Amount of PLUS loan record in \$99999.99 format
Date Line 41, column 2	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date of PLUS loan record in MM/DD/CCYY format
Net Disbursement Amount Line 41, column 3	4th Anticipated Net Disbursement Amount	Print 4th Anticipated Net Disbursement Amount of PLUS loan record in \$99999.99 format

Direct Subsidized/Unsubsidized Loan Master Promissory Note (MPN) Print Specifications

The Subsidized/Unsubsidized Master Promissory Note (MPN) has a unique 21-character MPN Identification Number (MPN ID). No dollar amount is printed on the MPN, and one note can be used for multiple subsidized and unsubsidized loans.

The Subsidized/Unsubsidized Borrower's Rights and Responsibilities and addendum must accompany all Subsidized/Unsubsidized MPNs.

Note: The following specifications are for printing the data element labels and variable data on the Subsidized/Unsubsidized MPN pre-print form without labels. Line 1 starts 1 7/8th inch from the top of the pre-printed form without labels. The line gauge is 6 lines per inch.

Direct Subsidized/Unsubsidized Loan MPN Print Specifications			
SECTION A: BORROWER INFORMATION (Left justify)			
READ THE INSTRUCTIONS IN SECTION F BEFORE COMPLETING THIS SECTION			
(Right justify)			
(Print both labels on line 1 in italics.)			
Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
1. Driver's License State and No.	2	Student Borrower's Driver's License State and Number	From left to right, print Student Borrower's Driver's License State and Number separating them by a dash on line 3
2. Social Security No.	2	Student Borrower's SSN	Print the Student Borrower's SSN in 999-99-9999 format on line 4
3. E-mail Address (optional)	4	Student Borrower's Current E-mail Address	From left to right, print the Student Borrower's E-mail address on line 5
4. Name and Address	6	Student Borrower's Last Name, First Name, Middle Initial	From left to right, print the Student Borrower's Last Name, First Name, and Middle Initial on line 8 Print a comma and space following the Last Name and a space after the First Name Following the Middle Initial, print the label: <-Last, First, M.I.
4. Name and Address (continued)	6	Student Borrower's Permanent Address OR Student Borrower's Local Address	From left to right, print the Student Borrower's Street Address on line 9
4. Name and Address (continued)	6	Student Borrower's Permanent City, State, and Zip Code OR Student Borrower's Local City, State, and Zip Code	From left to right, print the Student Borrower's City, Mailing State, and Zip Code on line 10 Separate each field with a space and follow city with a comma
5. Date of Birth	7	Student Borrower's Date of Birth	Print in MM/DD/YYYY format on line 7

Direct Subsidized/Unsubsidized Loan MPN Print Specifications

SECTION A: BORROWER INFORMATION (Left justify)
READ THE INSTRUCTIONS IN SECTION F BEFORE COMPLETING THIS SECTION
(Right justify)
(Print both labels on line 1 in italics.)

Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
6. Area Code/Telephone No.	8	Student Borrower's Permanent Telephone Number	Print in (999) 999-9999 format on line 9

Direct Subsidized/Unsubsidized Loan MPN Print Specifications

SECTION B: SCHOOL INFORMATION (Print this label on line 18 in italics; left justified)

Form Label/Position	Label Line #	Field Name	Print Instructions
8. School Name and Address	19	School Name	From left to right, print the School Name associated with the DL school code on the record on line 20
8. School Name and Address (continued)	19	School Address	From left to right, print the School's Street Address associated with the DL school code on line 21
8. School Name and Address (continued)	19	School's City, State, and Zip Code	From left to right, print the School's City, State and Zip Code on line 22 Separate each field with a space and follow city with a comma
9. School Code/Branch	19	Direct Loan School Code	Print the Direct Loan School Code on the Loan Record on line 20
10. Identification No.	19	Master Promissory Note ID	Print in 999999999-M-99-99999-9-99 format on line 20

Direct Subsidized/Unsubsidized Loan MPN HERA Addendum Sample

A sample Higher Education Reconciliation Act (HERA) of 2005 Addendum for the Direct Subsidized/Unsubsidized Loan Master Promissory Note (MPN) is included below:

Addendum to the Direct Subsidized Loan/Direct Unsubsidized Loan Master Promissory Note

William D. Ford Federal Direct Loan Program

The Higher Education Reconciliation Act of 2005 (HERA) changed some of the terms of Federal Direct Stafford/Ford Loans (Direct Subsidized Loans) and Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans) made under the William D. Ford Federal Direct Loan (Direct Loan) Program. As a result, certain terms of the loan(s) you receive under a Direct Subsidized Loan/Direct Unsubsidized Loan Master Promissory Note (MPN) differ from the terms described in the MPN and Borrower's Rights and Responsibilities Statement.

This Addendum describes the changes made by the HERA to the terms of Direct Subsidized Loans and Direct Unsubsidized Loans. Your loan is subject to these changes. The loan term changes explained in this Addendum are incorporated into and made a part of the MPN that you sign and the Borrower's Rights and Responsibilities Statement. You should keep a copy of this Addendum with your MPN and Borrower's Rights and Responsibilities Statement.

NOTE: The Office of Management and Budget (OMB) has approved the continued use of the Direct Subsidized Loan/Direct Unsubsidized Loan MPN under OMB Number 1845-0007. The new expiration date for the MPN is 03/31/2008.

- 1. MPN, Section C: Borrower Request, Certifications, Authorizations, and Understanding.** *Effective for MPNs signed on or after July 1, 2006*, by signing your MPN you are certifying, under penalty of perjury, that if you have been convicted of, or have pled *nolo contendere* or guilty to, a crime involving fraud in obtaining federal student aid funds under Title IV of the Higher Education Act of 1965, as amended, you have completed the repayment of those funds to the U.S. Department of Education, or to the loan holder in the case of a Title IV federal student loan.
- 2. Borrower's Rights and Responsibilities Statement, Item 8: Interest rate.** *Effective for loans first disbursed on or after July 1, 2006*, a Direct Subsidized Loan or Direct Unsubsidized Loan has a fixed interest rate of 6.8%. Direct Subsidized Loans and Direct Unsubsidized Loans first disbursed *before July 1, 2006* will continue to have a variable interest rate as described in Item 8 of the Borrower's Rights and Responsibilities Statement.
- 3. Borrower's Rights and Responsibilities Statement, Item 10: Loan fee.** *Effective July 1, 2006*, the maximum loan fee we charge on a Direct Subsidized Loan or Direct Unsubsidized Loan is 3 percent of the principal amount of each loan you receive.
- 4. Borrower's Rights and Responsibilities Statement, Item 15: Repaying your loan.** *Effective for Direct Subsidized Loans and Direct Unsubsidized Loans that enter repayment on or after July 1, 2006*, the following changes apply to the Graduated Repayment Plan and the Extended Repayment Plan:
Graduated Repayment Plan. If you choose this plan, your payments will usually be lower at first, and will then increase over time. No single payment will be more than 3 times greater than any other payment. Under this plan, you must repay your loan in full within 10 years (not including periods of deferment and forbearance) from the date the loan entered repayment. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.
Extended Repayment Plan. You may choose this plan only if (1) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998 or on the date you obtained a Direct Loan Program loan on or after October 7, 1998, and (2) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. If you are eligible for and choose this plan, you will make monthly payments based on fixed annual or graduated repayment amounts and will repay your loan in full over a period not to exceed 25 years (not including periods of deferment and forbearance) from the date your loan entered repayment. The maximum period of time you have to repay your loans will vary depending on the amount of your outstanding loan debt. Your payments must be at least \$50 per month and will be more, if necessary, to repay the loan within the required time period. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.
- 5. Borrower's Rights and Responsibilities Statement, Item 20: Deferment and forbearance.** *Effective July 1, 2006, for loans with a first disbursement made on or after July 1, 2001*, a deferment is available for a period of up to three years during which a borrower is serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency.
- 6. Borrower's Rights and Responsibilities Statement, Item 21: Discharge.** *Effective July 1, 2006*, a loan is also eligible for discharge if it is determined that the borrower's eligibility for the loan was falsely certified as a result of a crime of identity theft.

Direct Subsidized/Unsubsidized Loan MPN Sample

A sample Direct Subsidized/Unsubsidized Loan Master Promissory Note (MPN) may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct Subsidized/Unsubsidized Loan Borrower's Rights and Responsibilities Statement (BRR) Sample

A sample Direct Subsidized/Unsubsidized Loan Borrower's Rights and Responsibilities Statement may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct PLUS Loan Master Promissory Note (MPN) Print Specifications

The PLUS Master Promissory Note (MPN) has a unique 21-character MPN Identification Number (MPN ID). No dollar amount is printed on the MPN, and one note can be used for multiple PLUS loans.

The PLUS Borrower's Rights and Responsibilities and addendum must accompany all PLUS MPNs.

Note: The following specifications are for printing the data element labels and variable data on the PLUS MPN pre-printed form without labels. Line 1 starts 1 1/4th inch from the top of the pre-printed form without labels. The line gauge is 6 lines per inch.

Direct PLUS Loan MPN Print Specifications			
Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
SECTION A: BORROWER INFORMATION – TO BE COMPLETED BY ALL BORROWERS	1		Left justify, italicize
I am a Parent of a Dependent Undergraduate Student	2		Left justify
1. Driver's License State and No.	3	Parent Borrower's Driver's License State and Number	From left to right, print Parent Borrower's Driver's License State and Number separating them by a dash on line 4
2. Social Security No.	3	Parent Borrower's SSN	Print the Parent Borrower's SSN in 999-99- 9999 format on line 4
3. Date of Birth	3	Parent Borrower's Date of Birth	Print in MM/DD/YYYY format on line 4
4. E-mail Address (optional)	5	Parent Borrower's Current E- mail Address	From left to right, print the Parent Borrower's E-mail address on line 5
5. Name and Permanent Address	6	Parent Borrower's Last Name, First Name, Middle Initial	From left to right, print the Parent Borrower's Last Name, First Name, and Middle Initial on line 9
(last, first, middle initial)	7		
(street), (city, state, zip code)	8		From left to right, print the Parent Borrower's Street Address on line 10 From left to right, print the Parent Borrower's City, Mailing State, and Zip Code on line 11 Separate each field with a space and follow city with a comma

Direct PLUS Loan MPN Print Specifications			
Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
6. Area Code/Telephone No.	6	Parent Borrower's Permanent Telephone Number	Print in (999) 999-9999 format on line 7
7. Citizenship Status (parent borrowers only)	8	Parent Borrower's Citizenship	
1 [] U.S. Citizen or National	9		If 1, print X in the bracketed [] box
2 [] Permanent Resident/Other Eligible Non-Citizen	10		If 2, print X in the bracketed [] box
If (2), Alien Registration No.	11		If 2, print Alien Registration Number field in 999999999 format

Direct PLUS Loan MPN Print Specifications			
Form Label/Position	Label Line #	Field Name	Print Instructions
SECTION B: SCHOOL INFORMATION – TO BE COMPLETED BY THE SCHOOL	20		Left Justify, italicize
11. School Name and Address	21	School Name	From left to right, print the School Name associated with the DL school code on the record on line 22
		School Address, City, State, and Zip Code	From left to right, print the School's Street Address, City, State and Zip Code associated with the DL school code on line 23 Separate each field with a space and follow city with a comma
12. School Code/Branch	21	Direct Loan School Code	Print the Direct Loan School Code on the Loan Record on line 22
13. Identification No.	21	Master Promissory Note ID	Print in 999999999-N-99-99999-9-99 format on line 22

Direct PLUS Loan MPN Print Specifications			
Form Label/Position	Label Line #	Field Name	Print Instructions
SECTION C: DEPENDENT UNDERGRADU ATE STUDENT INFORMATION – PARENT BORROWERS ONLY	24		Left justify, italicize
14. Student's Name (last, first, middle initial)	25	Student Borrower's Last, name, First Name, Middle Initial	From left to right, print the Student's Borrower's Last Name, First Name, and Middle Initial on line 26 Print a comma and space following the Last Name and a space after the First Name
15. Social Security No.	25	Student Borrower's SSN	Print the Student Borrower's SSN in 999-99- 9999 format on line 26
16. Date of Birth	25	Student Borrower's Date of Birth	Print in MM/DD/YYYY format on line 26

Direct PLUS Loan MPN Sample

A sample Direct PLUS Loan Master Promissory Note (MPN) may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct PLUS Loan MPN Endorser Addendum Sample

A sample Endorser Addendum for Direct PLUS Loan Master Promissory Note (MPN) may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct PLUS Loan Borrower's Rights and Responsibilities Statement (BRR) Sample

A sample Direct PLUS Loan Borrower's Rights and Responsibilities Statement may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct PLUS Loan for Graduate Student Borrowers Master Promissory Note (MPN) Print Specifications

The PLUS Master Promissory Note (MPN) for graduate student borrowers has a unique 21-character MPN Identification Number (MPN ID). No dollar amount is printed on the MPN, and one note can be used for multiple Grad PLUS loans.

The same MPN form is used for both parent PLUS and Grad PLUS loans. The PLUS Borrower's Rights and Responsibilities and addendum must accompany all PLUS MPNs.

Note: The following specifications are for printing the data element labels and variable data on the Grad PLUS MPN pre-printed form without labels. Line 1 starts 1 1/4th inch from the top of the pre-printed form without labels. The line gauge is 6 lines per inch.

Direct PLUS Loan for Graduate Student Borrowers MPN Print Specifications			
Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
SECTION A: BORROWER INFORMATION – TO BE COMPLETED BY ALL BORROWERS	1		Left justify, italicize
I am a Graduate or Professional Student	2		Left justify
1. Driver's License State and No.	3	Borrower's Driver's License State and Number	From left to right, print Borrower's Driver's License State and Number separating them by a dash on line 4
2. Social Security No.	3	Borrower's SSN	Print the Borrower's SSN in 999-99-9999 format on line 4
3. Date of Birth	3	Borrower's Date of Birth	Print in MM/DD/YYYY format on line 4
4. E-mail Address (optional)	5	Borrower's Current E-mail Address	From left to right, print the Borrower's E-mail address on line 5
5. Name and Permanent Address	6	Borrower's Last Name, First Name, Middle Initial	From left to right, print the Borrower's Last Name, First Name, and Middle Initial on line 9
(last, first, middle initial)	7		
(street), (city, state, zip code)	8		From left to right, print the Borrower's Street Address on line 10 From left to right, print the Borrower's City, Mailing State, and Zip Code on line 11 Separate each field with a space and follow city with a comma

Direct PLUS Loan for Graduate Student Borrowers MPN Print Specifications			
Print Label	Label Line #	Data Description	Print Instructions for Data and Data Line #
6. Area Code/Telephone No.	6	Borrower's Permanent Telephone Number	Print in (999) 999-9999 format on line 7
7. Citizenship Status (parent borrowers only)	8		Print label as is.
1 [] U.S. Citizen or National	9		Print label as is.
2 [] Permanent Resident/Other Eligible Non-Citizen	10		Print label as is.
If (2), Alien Registration No.	11		Print label as is.

Direct PLUS Loan for Graduate Student Borrowers MPN Print Specifications			
Form Label/Position	Label Line #	Field Name	Print Instructions
SECTION B: SCHOOL INFORMATION – TO BE COMPLETED BY THE SCHOOL	20		Left Justify, italicize
11. School Name and Address	21	School Name	From left to right, print the School Name associated with the DL school code on the record on line 22
		School Address, City, State, and Zip Code	From left to right, print the School's Street Address, City, State and Zip Code associated with the DL school code on line 23 Separate each field with a space and follow city with a comma
12. School Code/Branch	21	Direct Loan School Code	Print the Direct Loan School Code on the Loan Record on line 22
13. Identification No.	21	Master Promissory Note ID	Print in 999999999-N-99-99999-9-99 format on line 22

Direct PLUS Loan MPN Print Specifications			
Form Label/Position	Label Line #	Field Name	Print Instructions

SECTION C: DEPENDENT UNDERGRADU ATE STUDENT INFORMATION – PARENT BORROWERS ONLY	24		Left justify, italicize
14. Student's Name (last, first, middle initial)	25		Print label as is.
15. Social Security No.	25		Print label as is.
16. Date of Birth	25		Print label as is.

Direct Grad PLUS Loan MPN Sample

A sample Direct Grad PLUS Loan Master Promissory Note (MPN) may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct Grad PLUS Loan MPN Endorser Addendum Sample

A sample Endorser Addendum for Direct Grad PLUS Loan Master Promissory Note (MPN) may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Direct Grad PLUS Loan Borrower's Rights and Responsibilities Statement (BRR) Sample

A sample Direct Grad PLUS Loan Borrower's Rights and Responsibilities Statement may be accessed via the following web site:

<http://www.ed.gov/offices/OSFAP/DirectLoan/mpn.html>

Pell Grant Print Specifications

ESOA Print Specifications

The Electronic Statement of Account (ESOA) details an institution's spending authorization and amount expended to date.

The ESOA report contains:

- Header - see Sample Output Document for correct header information
- Summary Information – see the following ESOA Print (Summary Information) table
- Detail Information – see the ESOA Detail Information table that follows the ESOA Print (Summary Information) table

This table of print specifications is used in EDEExpress Software and is provided as an example:

ESOA Print (Summary Information)		
Row	Field Name in EDEExpress	Printing Instructions
1		Print a blank row.
2	Pell School Number	Print the value for this field as defined on the Pell ESOA database table for the specified school.
3	Entity ID	Print the value for this field as defined on the Pell ESOA database table for the specified school.
4	School Name	Print the value for this field associated with the Reporting Campus ID # as defined on the Pell institution database table.
5	State	Print the value for this field associated with the Reporting Campus ID # as defined on the Pell institution database table.
6	Grantee Duns Number	Print the value for this field as defined on the Pell ESOA database table for the specified school.
7	GAPS Award Number	Print the value for this field as defined on the Pell ESOA database table for the specified school.
8		Print a blank row.
9	Transaction Date	Print the value for this field as defined on the Pell ESOA database table for the specified school. Print date in MM/DD/CCYY format.
10		Print a blank row.
11	Previous Pell Grant Obligation	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
12	Current Pell Grant Obligation	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
13	Adjustment (Increase + or Decrease -)	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount. Calculate Adjusted Obligation Amount as the absolute value of (Previous minus Current). If current is higher, print a "+" after the Adjustment amount; if the previous is higher, print a "-" after the Adjustment amount.
14		Print a blank row.

ESOA Print (Summary Information)		
Row	Field Name in EDEExpress	Printing Instructions
15	Previous Pell Grant Payments	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
16	Current Pell Grant Payments	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
17	Adjustment (Increase + or Decrease -)	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount. Calculate Adjusted Payment Amount as the absolute value of (Previous minus Current). If current is higher, print a "+" after the Adjustment amount; if the previous is higher, print a "-" after the Adjustment amount.
18		Print a blank row.
19	GAPS Drawdowns/Payments	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
20	Date of Last Activity in GAPS	Print the value for this field as defined on the Pell ESOA database table for the specified school. Print date in MM/DD/CCYY format.
21		Print a blank row.
22	YTD Total Unduplicated Recipients	Print the value for this field as defined on the Pell ESOA database table for the specified school. Insert ','s if number is over 999. If spaces, leave blank.
23	YTD Pell Accepted and Posted Disbursement Amount	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
24	YTD Administrative Cost Allowance	Print the value for this field as defined on the Pell ESOA database table for the specified school. Reformat dollar amount.
25		Print a blank row.
26	As of Document ID/Batch ID	Print the value for this field as defined on the Pell ESOA Summary database table for the specified school. Print format for Document ID is : CCYY-MM-DDTHH:MM:SS:FF99999999 where CCYY-MM-DD = date document created T = constant HH:mm:ss.ff = time document created 99999999 = Entity ID of Reporting School
27		Print a blank row.
28		Print a blank row.
29	Payments apply only to "Obligate/Pay" accounts.	Print Section A Notation as stated below: Section A values apply to "Obligate only" accounts

ESOA Detail Information: If the user selects the option to print ESOA detail information, then print page 2 of the ESOA report using the printing specifications detailed below. Information for page 2 should print in descending order of the Document ID.

ESOA (Detail Information)			
Row	Column	Field Name	Printing Instructions
1	N/A	Blank Line	Print a blank line.
2	N/A	ESOA Detail Document Information	Print the literal section label: 'ESOA DETAIL DOCUMENT INFORMATION'.
3	N/A	Blank Line	Print a blank line.
4-5	1	Transaction Date	Print the value for this field as defined on the Pell ESOA detail database table for the specified school. Print date in MM/DD/CCYY format.
4-5	2	Adjust Amount	Print the value for this field as defined on the Pell ESOA detail database table for the specified school. Reformat dollar amount. If the DEBITCREDITFLAG on the ESOA Detail table is "P", print a "+" after the amount; if the flag is "N", print a "-" after the amount.
4-5	3	Adjust Process Date	Print the value for this field as defined on the Pell ESOA detail database table for the specified school. Print date in MM/DD/CCYY format.
5	4, Line 1	Document/Batch #ID	Print the value for this field as defined on the Pell ESOA detail database table for the specified school.

Sample ESOA Output Document:

The output document should print in Courier 10. See below for more detail.

SUMMARY INFORMATION

Report Date: MM/DD/CCYY U.S. Department of Education PAGE: 1
Report Time: HH:MM:SS 2008-2009 FEDERAL PELL GRANT PROGRAM
ELECTRONIC STATEMENT OF ACCOUNT

PELL SCHOOL NUMBER 001005
COMMON SCHOOL IDENTIFIER 12345678
SCHOOL NAME ALABAMA STATE UNIVERSITY
STATE AL
GRANTEE DUNS NUMBER 040672685
GAPS AWARD NUMBER P063P 20041031

Transaction Date MM/DD/CCYY

Previous Pell Grant Obligation \$999,999,999.99
Current Pell Grant Obligation \$999,999,999.99
Adjustment (Increase + or Decrease -) \$999,999,999.99+

Previous Pell Grant Payments \$999,999,999.99
Current Pell Grant Payments \$999,999,999.99
Adjustment (Increase +) \$999,999,999.99+

GAPS Drawdowns/Payments \$999,999,999.99
Date of Last Activity in GAPS MM/DD/CCYY

YTD Total Unduplicated Recipients 999,999
YTD Pell Accepted and Posted Disbursement Amount \$999,999,999.99
YTD Administrative Cost Allowance \$999,999,999.99

As of Document ID/Batch ID 2008-12-31T06:12:34.4599999999

Payments apply only to "Obligate/Pay" accounts.

DETAILED INFORMATION (PAGE 2)

Report Date: MM/DD/CCYY U.S. Department of Education PAGE: 2
Report Time: HH:MM:SS 2008-2009 FEDERAL PELL GRANT PROGRAM
ELECTRONIC STATEMENT OF ACCOUNT

ESOA DETAIL DOCUMENT INFORMATION

TRANSACTION DATE -----	ADJUST AMOUNT -----	ADJUST PROCESS DATE -----	DOCUMENT/BATCH ID -----
MM/DD/CCYY	\$999,999,999.99-	MM/DD/CCYY	2008-12-31T06:12:34.4599999999
MM/DD/CCYY	\$999,999,999.99+	MM/DD/CCYY	2008-12-31T06:12:34.4699999999
MM/DD/CCYY	\$999,999,999.99-	MM/DD/CCYY	2008-12-31T06:12:34.4799999999
MM/DD/CCYY	\$999,999,999.99+	MM/DD/CCYY	2008-12-31T06:12:34.4899999999
MM/DD/CCYY	\$999,999,999.99-	MM/DD/CCYY	2008-12-31T06:12:34.4999999999
MM/DD/CCYY	\$999,999,999.99+	MM/DD/CCYY	2008-12-31T06:12:34.5099999999
MM/DD/CCYY	\$999,999,999.99-	MM/DD/CCYY	2008-12-31T06:12:34.5199999999

ACG and National SMART Grant Print Specifications

ESOA Print Specifications

The Electronic Statement of Account (ESOA) details an institution's spending authorization and amount expended to date.

The ESOA report contains:

- Header - see Sample Output Document for correct header information
- Summary Information – see the following ESOA Print (Summary Information) table
- Detail Information – see the ESOA Detail Information table that follows the ESOA Print (Summary Information) table

This table of print specifications is provided as an example:

ESOA Print (Summary Information)		
Row	Field Name	Printing Instructions
1		Print a blank row.
2	Pell School Number	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school.
3	Routing Number	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school.
4	School Name	Print the value for this field associated with the Reporting Campus ID # as defined on the Pell institution database table.
5	State	Print the value for this field associated with the Reporting Campus ID # as defined on the Pell institution database table.
6	Grantee Duns Number	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school.
7	GAPS Award Number	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school.
8		Print a blank row.
9	Transaction Date	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school. Print date in MM/DD/CCYY format.
10		Print a blank row.
11	Previous ACG or National SMART Grant Obligation	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school. Reformat dollar amount.

ESOA Print (Summary Information)		
Row	Field Name	Printing Instructions
12	Current ACG or National SMART Grant Obligation	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school. Reformat dollar amount.
13	Adjustment (Increase + or Decrease -)	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school. Reformat dollar amount. Calculate Adjusted Obligation Amount as the absolute value of (Previous minus Current). If current is higher, print a "+" after the Adjustment amount; if the previous is higher, print a "-" after the Adjustment amount.
14		Print a blank row.
15	Not used for ACG or National SMART Grant	Print a blank row.
16	Not used for ACG or National SMART Grant	Print a blank row.
17	Not used for ACG or National SMART Grant	Print a blank row.
18		Print a blank row.
19	Not used for ACG or National SMART Grant	Print a blank row.
20	Not used for ACG or National SMART Grant	Print a blank row.
21		Print a blank row.
22	Not used for ACG or National SMART Grant	Print a blank row.
23	YTD ACG or National SMART Grant Accepted and Posted Disbursement Amount	Print the value for this field as defined on the ACG or National SMART Grant ESOA database table for the specified school. Reformat dollar amount.
24	Not used for ACG or National SMART Grant	Print a blank row.
25		Print a blank row.
26	As of Document ID/Batch ID	Print the value for this field as defined on the ACG or National SMART Grant ESOA Summary database table for the specified school. Print format for Document ID is : CCYY-MM-DDTHH:MM:SS:FF99999999 where CCYY-MM-DD = date document created T = constant HH:mm:ss.ff = time document created 99999999 = Entity ID of Reporting School
27		Print a blank row.
28		Print a blank row.
29	Not used for ACG or National SMART Grant	Print a blank row.

ESOA Detail Information: If the user selects the option to print ESOA detail information, then print page 2 of the ESOA report using the printing specifications detailed below. Information for page 2 should print in descending order of the Document ID.

ESOA (Detail Information)			
Row	Column	Field Name	Printing Instructions
1	N/A	Blank Line	Print a blank line.
2	N/A	ESOA Detail Document Information	Print the literal section label: 'ESOA DETAIL DOCUMENT INFORMATION'.
3	N/A	Blank Line	Print a blank line.
4-5	1	Transaction Date	Print the value for this field as defined on the ACG or National SMART Grant ESOA detail database table for the specified school. Print date in MM/DD/CCYY format.
4-5	2	Adjust Amount	Print the value for this field as defined on the ACG or National SMART Grant ESOA detail database table for the specified school. Reformat dollar amount. If the DEBITCREDITFLAG on the ESOA Detail table is "P", print a "+" after the amount; if the flag is "N", print a "-" after the amount.
4-5	3	Adjust Process Date	Print the value for this field as defined on the ACG or National SMART Grant ESOA detail database table for the specified school. Print date in MM/DD/CCYY format.
5	4, Line 1	Document/Batch #ID	Print a blank line. Note: After December 16, 2006 print the value for this field as defined on the ACG or National SMART Grant ESOA detail database table for the specified school.

Direct Loan Forms

Creating Master Promissory Note Paper Manifests

All promissory notes must be mailed and accepted by COD before the loans are booked. The hard copy promissory notes must be accompanied by a paper manifest that lists the borrower's name and MPN ID for each promissory note in the shipment. Also, the paper manifest provides a certification to be signed by an official at the school. A sample Direct Subsidized/Unsubsidized Loan MPN Paper Manifest, a sample Grad PLUS Loan MPN Paper Manifest, and a sample Direct PLUS Loan MPN Paper Manifest are provided below.

Business Rules:

- 1) Subsidized/Unsubsidized MPNs, Grad PLUS MPNs and PLUS MPNs must be batched separately and a separate paper manifest created for each batch.
- 2) Additionally, separate batches and manifests must be created for each DL school code.
- 3) Each batch may contain up to 100 notes.
- 4) After processing, the manifest is returned to the school address on the promissory note unless the school indicates another address on the manifest.
- 5) The Report Date (in MM/DD/YYYY format) and the Report Time (in HH:MM:SS format) indicate when the manifest was produced.
- 6) A page number starting with 1, incremented by 1 for each subsequent page printed, is included on each page of the manifest.
- 7) Records are printed in the last name alphabetical order, or numerical borrower ID order. The borrower's name is printed in last name, first name, and middle initial order. The Loan ID associated with borrower's name is printed.
- 8) The number of notes for shipping indicates the number of promissory notes covered by the paper manifest. It is only printed on the final page of the paper manifest.
- 9) The certification statement, DL school code, school name, signature block, and Financial Aid Administrator (FAA) name are only printed on the last page.

Sample Subsidized/Unsubsidized MPN Paper Manifest:

Report Date: MM/DD/YYYY
Report Time: HH:MM:SS

U.S. DEPARTMENT OF EDUCATION
Federal Direct Loan Program
Sub/Unsub Manifest
(ALL RECORDS)

PAGE: 1

Sort: SSN

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

PROMISSORY NOTE SHIPPING DOCUMENT ID: YYYY-MM-DDTHH:MM:SS.FF00100200

BORROWER'S NAME	MPN ID
STUDENT'S CURRENT SSN	
-----	-----
X'XXXXX, XXXXX X. 999-99-9999	999999999M99G99999999
XXXXXXXXXXXXX, XXXXX 111-11-1111	999999999M99G99999999

NUMBER OF NOTES FOR SHIPPING: _____

I hereby certify that each borrower named on the enclosed notes/disclosures is accepted for enrollment on at least a half-time basis and is making satisfactory progress in a program that is eligible for the loan type(s) awarded. I certify that each student is an eligible borrower in accordance with the Act. I further certify that each borrower's eligibility for a Pell Grant has been determined, that each borrower is not incarcerated, and that each borrower has been determined eligible for loan(s) in the amount(s) certified. I further certify that the disbursement schedules comply with the requirements of the Act and hereby authorize the Department of Education to adjust disbursement dates if necessary to ensure compliance with the Act. I further certify that, based on records available and due inquiry, each borrower has met the requirements of the Selective Service Act, that each borrower is not liable for an overpayment of any Federal grant made under the Act, and that the information provided in the Borrower and the School sections of the promissory notes/disclosures (including information supplied in electronic format) is true, complete and accurate to the best of my knowledge and belief.

SCHOOL CODE: G99999 NAME: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

SIGNATURE: _____

FAA NAME: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Sample Grad PLUS MPN Paper Manifest:

Report Date: 04/25/2009 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 09:30:30 Federal Direct Loan Program - 2008-2009
Graduate/Professional PLUS Manifest

Sort:

SSN

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

**

MPN MANIFEST SHIPPING DOCUMENT ID: 2009-04-25T09:30:30.4220755745

BORROWER'S NAME	MPN ID
BORROWER'S CURRENT SSN	
-----	-----
XXXXXX, XXXXX	313131313N09G30107001
313-13-1313	

NUMBER OF MPNs FOR SHIPPING: _____

I hereby certify that each borrower named on the enclosed MPN/disclosures is accepted for enrollment on at least a half-time basis and is making satisfactory progress in a program that is eligible for the loan type awarded. I certify that each student is an eligible borrower in accordance with the Act. I further certify that each borrower's eligibility for the maximum annual Direct Subsidized and/or Unsubsidized loan amount has been determined, that each borrower is not incarcerated, and that each borrower has been determined eligible for loan(s) in the amount(s) certified. I further certify that the disbursement schedules comply with the requirements of the Act and hereby authorize the Department of Education to adjust disbursement dates if necessary to ensure compliance with the Act. I further certify that, based on records available and due inquiry, each borrower has met the requirements of the Selective Service Act, that each borrower is not liable for an overpayment of any Federal grant made under the Act, and that the information provided in the Borrower and the School sections of the MPNs/disclosures (including information supplied in electronic format) is true, complete and accurate to the best of my knowledge and belief.

DL CODE: G30107 NAME: EDUCATION ACADEMY

SIGNATURE: _____

FAA NAME: AUTHORIZED LOAN OFFICIAL

Revised Direct Subsidized/Unsubsidized Loan Plain Language Disclosure (PLD)

A sample Direct Subsidized/Unsubsidized Loan Plain Language Disclosure revised as a result of the Higher Education Reconciliation Act (HERA) of 2005 is included below:

Direct Loans

William D. Ford Federal Direct Loan Program

William D. Ford Federal Direct Loan Program Direct Subsidized Loan and Direct Unsubsidized Loan Plain Language Disclosure

1. General information. You are receiving a student loan to help cover the costs of your education. This Plain Language Disclosure (Disclosure) summarizes information about your loan. Please read this Disclosure carefully and keep a copy in a safe place. In this Disclosure, the words “we,” “us,” and “our” refer to the U.S. Department of Education. If you have questions about your loan, contact our Direct Loan Servicing Center. The Direct Loan Servicing Center’s telephone number and address are shown on correspondence you will receive related to your loan. You must repay this loan, even if you are unhappy with your education, do not complete it, or cannot find work in your area of study. Borrow only the amount you can afford to repay, even if you are eligible to borrow more.

By accepting your loan proceeds, you are certifying, under penalty of perjury, that if you have been convicted of, or have pled *nolo contendere* or guilty to, a crime involving fraud in obtaining federal student aid funds under Title IV of the Higher Education Act of 1965, as amended, you have completed the repayment of those funds to the U.S. Department of Education, or to the loan holder in the case of a Title IV federal student loan.

2. Master Promissory Note (MPN). You are receiving a loan under an MPN that you signed previously. You may receive additional loans under that MPN for up to 10 years if you continue to attend school and if your school is authorized to use the multi-year feature of the MPN and chooses to do so. If your school is not authorized to use the multi-year feature of the MPN or chooses not to do so, or if you do not want to receive more than one loan under the same MPN, you must sign a new MPN for each loan. If you do not want to receive more than one loan under the same MPN, you must notify your school or the Direct Loan Servicing Center in writing.

3. Loan terms and conditions. This Disclosure summarizes information about your loan. Please refer to your MPN and the Borrower’s Rights and Responsibilities Statement that you received previously for the complete terms and conditions of your loan. If you need another copy of the Borrower’s Rights and Responsibilities Statement, contact the Direct Loan Servicing Center. Unless we tell you otherwise in this Disclosure, your MPN and the Borrower’s Rights and Responsibilities Statement control the terms and conditions of your loan. Loans made under your MPN are subject to the Higher Education Act of 1965, as amended, and federal regulations. Any changes to the law or

regulations apply to loans in accordance with the effective date of the changes.

4. Use of loan money. You may use your loan money only to pay for educational expenses (for example, tuition, room, board, books) at the school that determined you were eligible to receive the loan.

5. Information you must report. While you are still in school, you must notify your school if you (i) change your local address, permanent address, or telephone number; (ii) change your name (for example, maiden name to married name); (iii) do not enroll at least half-time for the enrollment period certified by the school; (iv) do not enroll at the school that determined you were eligible to receive the loan; (v) stop attending school or drop below half-time enrollment; (vi) transfer from one school to another school; or (vii) graduate.

You must also notify the Direct Loan Servicing Center of any of the above changes at any time after you receive your loan. In addition, you must notify the Direct Loan Servicing Center if you (i) change employers or if your employer’s address or phone number changes; or (ii) have any other change in status that affects your loan (for example, if you received a deferment but no longer meet the eligibility requirements for that deferment).

6. Amount you may borrow. There are limits on the amount you may borrow each academic year (annual loan limits) and in total (aggregate loan limits), as explained in the Borrower’s Rights and Responsibilities Statement. You cannot borrow more than these limits.

7. Interest. Loans with a first disbursement date on or after July 1, 2006 have a fixed interest rate of 6.8%. Loans with a first disbursement date prior to July 1, 2006 have a variable rate that is adjusted each year on July 1 but will never be more than 8.25%. We will notify you annually of the actual interest rate for each loan that you receive.

We do not charge interest on Direct Subsidized Loans while you are enrolled in school at least half time, during your grace period, and during deferment periods. We charge interest on Direct Subsidized Loans during all other periods (starting on the day after your grace period ends), including forbearance periods. We charge interest on Direct Unsubsidized Loans during all periods (starting on the day your loan is paid out). This includes periods while you are enrolled in school, during your grace period, and during deferment and forbearance periods. Therefore, you

will pay more interest on Direct Unsubsidized Loans than on Direct Subsidized Loans.

If you do not pay the interest that is charged to you during in-school, grace, deferment, and forbearance periods, we will add it to the unpaid amount of your loan. This is called capitalization. Capitalization increases the unpaid amount of your loan, and we will then charge interest on the increased amount.

8. Loan fee. We charge a loan fee on your loan of up to 3% of the principal amount of the loan. This fee will be subtracted proportionately from each disbursement of your loan.

9. Repayment incentive programs. A repayment incentive is a benefit that we offer to encourage you to repay your loan on time. Under a repayment incentive program, the interest rate we charge on your loan may be reduced. Some repayment incentive programs require you to make a certain number of payments on time to keep the reduced interest rate. There are two repayment incentive programs that may be available to you (*Interest Rate Reduction for Electronic Debit Account Repayment and Up-Front Interest Rebate*). These repayment incentive programs are described in the Borrower's Rights and Responsibilities Statement. The Direct Loan Servicing Center can provide you with more information on other repayment incentive programs that may be available.

10. Disbursement of loan money. Generally, your school will disburse (pay out) your loan money in more than one installment, usually at the beginning of each academic term (for example, at the beginning of each semester or quarter). If your school does not use terms, it will generally disburse your loan in at least two installments, one at the beginning of the period of study for which you are receiving the loan and one at the midpoint of that period of study. Your school may disburse your loan money by crediting it to your student account, or may give it to you directly by check or other means. The Direct Loan Servicing Center will notify you each time your school disburses a portion of your loan.

11. Canceling your loan. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying your school. After your loan money is disbursed, there are two ways to cancel all or part of your loan:

- Within 14 days after the date your school notifies you that it has credited loan money to your account at the school, or by the first day of your school's payment period, whichever is later (your school can tell you the first day of the payment period), you may tell your school that you want to cancel all or part of the loan money that was credited to your account. Your school will return the cancelled loan amount to us. You do not have to pay interest or the loan fee on the part of your loan that you tell your school to cancel within these timeframes. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you tell your school to cancel. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that was cancelled. If you ask your school to cancel all or part of your loan outside the timeframes described above, your school may process your cancellation request, but it is not required to do so.
- Within 120 days of the date your school disbursed your loan money (by crediting the loan money to your account at the school, by paying it directly to you, or both), you may return all or part of your loan to us. Contact the Direct Loan Servicing Center for guidance on how and where to return

your loan money. You do not have to pay interest or the loan fee on the part of your loan that you return within 120 days of the date that part of your loan is disbursed. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you return. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that you return.

12. Grace period. You will receive a 6-month grace period on repayment that starts the day after you stop attending school or drop below half-time enrollment. You do not have to begin making payments on your loan until after your grace period ends.

13. Repaying your loan. You must repay each loan that you receive according to the repayment schedule provided by the Direct Loan Servicing Center. You must begin repaying your loan after your grace period ends. The amount of time you have to repay your loan (the repayment period) will vary from 10 to 25 years, depending on the repayment plan that you choose and the total amount you have borrowed. For Direct Subsidized Loans and Direct Unsubsidized Loans that enter repayment on or after July 1, 2006, you may choose one of the following repayment plans:

Standard Repayment Plan. Refer to the Borrower's Rights and Responsibilities Statement for the terms and conditions of this plan.

Graduated Repayment Plan. If you choose this plan, your payments will usually be lower at first, and will then increase over time. No single payment will be more than 3 times greater than any other payment. Under this plan, you must repay your loan in full within 10 years (not including periods of deferment and forbearance) from the date the loan entered repayment. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

Extended Repayment Plan. You may choose this plan only if (1) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998 or on the date you obtained a Direct Loan Program loan on or after October 7, 1998, and (2) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. If you are eligible for and choose this plan, you will make monthly payments based on fixed annual or graduated repayment amounts and will repay your loan in full over a period not to exceed 25 years (not including periods of deferment and forbearance) from the date your loan entered repayment. The maximum period of time you have to repay your loans will vary depending on the amount of your outstanding loan debt. Your payments must be at least \$50 per month and will be more, if necessary, to repay the loan within the required time period. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

Income Contingent Repayment Plan. Refer to the Borrower's Rights and Responsibilities Statement for the terms and conditions of this plan.

These plans are designed to give you flexibility in meeting your obligation to repay your loan. You may change repayment plans at any time after you have begun repaying your loan. You may make loan payments before they are due, or pay more than the amount due each month, without penalty. When you have repaid a loan in full, the Direct Loan Servicing Center will send you a

notice telling you that you have paid off your loan. You should keep this notice in a safe place.

14. Late charges and collection costs. We may require you to pay a late charge of not more than six cents for each dollar of each late payment if you do not make any part of a payment within 30 days after it is due. We may also require you to pay other charges and fees involved in collecting your loan.

15. Demand for immediate repayment. The entire unpaid amount of your loan becomes due and payable (on your MPN this is called "acceleration") if you (i) receive loan money but do not enroll at least half-time at the school that determined you were eligible to receive the loan; (ii) use your loan money to pay for anything other than educational expenses at the school that determined you were eligible to receive the loan; (iii) make a false statement that causes you to receive a loan that you are not eligible to receive; or (iv) default on your loan.

16. Default. You are in default on your loan if you (i) do not repay the entire unpaid amount of your loan if we require you to do so; (ii) have not made a payment on your loan for at least 270 days; or (iii) do not comply with other terms and conditions of your loan, and we conclude that you no longer intend to honor your obligation to repay your loan.

If you default on your loan, we will report your default to national credit bureaus. We may sue you, take all or part of your federal tax refund, and/or garnish your wages so that your employer is required to send us part of your salary to pay off your loan. We will require you to pay reasonable collection fees and costs, plus court costs and attorney fees. You will lose eligibility for other federal student aid and assistance under most federal benefit programs. You will lose eligibility for loan deferments.

17. Credit bureau notification. We will report information about your loan to one or more national credit bureaus. This information will include the disbursement dates, amount, and repayment status of your loan (for example, whether you are current or delinquent in making payments).

18. Deferment and forbearance (postponing payments). If you meet certain requirements, you may receive a **deferment** that allows you to temporarily stop making payments on your loan. For example, you may receive a deferment while you are attending school at least half time or for up to 3 years while you are unemployed. For a complete list of deferments, refer to the Borrower's Rights and Responsibilities Statement that you received previously. Effective July 1, 2006, for loans with a first disbursement made on or after July 1, 2001, an additional deferment is available for a period of up to three years during which a borrower is serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency. We do not charge interest on Direct Subsidized Loans during deferment periods. However, we do

charge interest on Direct Unsubsidized Loans during deferment periods.

If you cannot make your scheduled loan payments but do not qualify for a deferment, we may give you a **forbearance**. A forbearance allows you to temporarily stop making payments on your loan, temporarily make smaller payments, or extend the time for making payments. For example, we may give you a forbearance if you are temporarily unable to make scheduled loan payments because of financial hardship or illness. We may also give you a forbearance under other conditions as described in the Borrower's Rights and Responsibilities Statement. We charge interest on both Direct Subsidized Loans and Direct Unsubsidized Loans during forbearance periods.

To request a deferment or forbearance, contact the Direct Loan Servicing Center.

19. Loan discharge. We may discharge (forgive) all or part of your loan if (i) you die, and we receive an original or certified copy of your death certificate; (ii) you are totally and permanently disabled, and you meet certain other requirements during a 3-year conditional discharge period; (iii) your loan is discharged in bankruptcy; (iv) you were unable to complete your course of study because your school closed; (v) your school falsely certified your eligibility; (vi) your school did not pay a refund of your loan money that it was required to pay under federal regulations; or, effective July 1, 2006, (vii) a loan in your name was falsely certified as a result of a crime of identity theft.

We may forgive a portion of any loans you received under the Direct Loan or Federal Family Education Loan (FFEL) program after October 1, 1998 if you teach full-time for 5 consecutive years in certain low-income elementary and/or secondary schools and meet certain other qualifications, and if you did not owe a Direct Loan or FFEL program loan as of October 1, 1998, or as of the date you obtain a loan after October 1, 1998. Contact the Direct Loan Servicing Center for specific eligibility requirements.

In some cases, you may assert, as a defense against collection of your loan, that your school did something wrong or failed to do something that it should have done. You can make such a defense against repayment only if what your school did or did not do would give rise to a legal cause of action under applicable state law. If you believe that you have a defense against repayment of your loan, contact the Direct Loan Servicing Center.

20. Loan consolidation. You may consolidate (combine) one or more of your eligible federal education loans into one loan. Consolidation allows you to extend the period of time that you have to repay your loans, and to combine several loan debts into a single monthly payment. This may make it easier for you to repay your loans. However, you will pay more interest if you extend your repayment period through consolidation, since you will be making payments for a longer period of time. Contact the Direct Loan Servicing Center for more information about loan consolidation.

Revised Direct PLUS Loan Plain Language Disclosure (PLD)

A sample Direct PLUS Loan Plain Language Disclosure revised as a result of the Higher Education Reconciliation Act (HERA) of 2005 is included below:

Direct Loans

William D. Ford Federal Direct Loan Program

William D. Ford Federal Direct Loan Program Direct PLUS Loan Plain Language Disclosure

A graduate or professional student or the parent of a dependent undergraduate student may borrow a Federal Direct PLUS Loan (Direct PLUS Loan). In this document, "you" refers to the borrower.

1. General information. You are receiving a Direct PLUS Loan to help pay the costs of your education or your dependent student's education. This Plain Language Disclosure (Disclosure) summarizes important information about your loan. Please read this Disclosure carefully and keep a copy in a safe place. In this Disclosure, the words "we," "us," and "our" refer to the U.S. Department of Education. If you have questions about your loan, contact our Direct Loan Servicing Center. The Direct Loan Servicing Center's telephone number and address are shown on correspondence you will receive related to your loan.

You must repay this loan, even if you or your dependent undergraduate student are unhappy with the education provided by the school, do not complete the program of study, or cannot find work in that area of study. Borrow only the amount you can afford to repay, even if you are eligible to borrow more.

By accepting your loan proceeds, you are certifying, under penalty of perjury, that if you or your dependent undergraduate student, as applicable, have been convicted of, or have pled nolo contendere or guilty to, a crime involving fraud in obtaining federal student aid funds under Title IV of the Higher Education Act of 1965, as amended, you or the student have completed the repayment of those funds to the U.S. Department of Education, or to the loan holder in the case of a Title IV federal student loan.

2. Direct PLUS Loan Application and Master Promissory Note (MPN). You are receiving a loan under an MPN that you signed previously. You may receive additional loans under that MPN for up to 10 years if the school that you or your dependent student attend is authorized to use the multi-year feature of the MPN and chooses to do so. If the school is not authorized to use the multi-year feature of the MPN or chooses not to do so, or if you do not want to receive more than one loan under the same MPN, you must sign a new MPN for each loan. If you do not want to receive more than one loan under the same MPN, you must notify the school or the Direct Loan Servicing Center in writing.

If you are a parent borrowing for more than one dependent undergraduate student, you need a separate MPN for each

student. If you are borrowing for yourself as a graduate or professional student and also as a parent for one or more dependent undergraduate students, you need one MPN to borrow for yourself and a separate MPN to borrow for each dependent student.

3. Loan terms and conditions. This Disclosure summarizes information about your loan. Please refer to your MPN and the Borrower's Rights and Responsibilities Statement that you received previously for the complete terms and conditions of your loan. If you need another copy of the Borrower's Rights and Responsibilities Statement, contact the Direct Loan Servicing Center. Unless we tell you otherwise in this Disclosure, your MPN and the Borrower's Rights and Responsibilities Statement control the terms and conditions of your loan. Loans made under your MPN are subject to the Higher Education Act of 1965, as amended, and federal regulations. Any changes to the law or regulations apply to loans in accordance with the effective date of the changes.

4. Use of loan money. You may use your loan money only to pay educational expenses (for example, tuition, room, board, books) for yourself (if you are a graduate or professional student) or for your dependent undergraduate student (if you are a parent borrower) at the school that determined you were eligible to receive the loan. If you accept this loan, eligibility for other student assistance may be affected.

5. Information you must report. While you or your dependent student are still in school, you must notify the school if (i) you change your address or telephone number; (ii) you change your name (for example, maiden name to married name); (iii) you or your dependent student do not enroll at least half-time for the loan period certified by the school, or do not enroll at the school that certified your eligibility for the loan; (iv) you or your dependent student stop attending school or drop below half-time enrollment; or (v) you or your dependent student graduate or transfer to another school.

You must also notify the Direct Loan Servicing Center of any of the above changes at any time after you receive your loan. In addition, you must notify the Direct Loan Servicing Center if you (i) change employers, or if your employer's address or phone number changes; or (ii) have any other change in status that

affects your loan (for example, if you received a deferment but no longer meet the eligibility requirements for that deferment).

6. Amount you may borrow. For each academic year, you may borrow up to – but not more than – the estimated cost of attendance minus the amount of any other financial aid awarded for that academic year. The school determines the cost of attendance using federal guidelines.

7. Interest. Loans with a first disbursement on or after July 1, 2006 have a fixed interest rate of 7.9%. Loans with a first disbursement prior to July 1, 2006 have a variable interest rate that is adjusted each year on July 1 but will never be more than 9%. For loans with a variable interest rate, we will notify you annually of the interest rate formula and the actual interest rate.

We charge interest on your Direct PLUS Loan from the date the loan is first disbursed until it is repaid in full, including during periods of deferment or forbearance. If you do not pay the interest as it is charged during deferment or forbearance, we will add it to the unpaid amount of your loan. This is called capitalization. Capitalization increases the unpaid amount of your loan, and we will then charge interest on the increased amount.

8. Loan fee. We charge a loan fee of 4% of the principal amount of the loan. This fee will be subtracted proportionately from each disbursement of your loan, and will be shown on a disclosure statement that we send to you.

9. Repayment incentive programs. A repayment incentive is a benefit that we offer to encourage you to repay your loan on time. Under a repayment incentive program, the interest rate we charge on your loan may be reduced. Some repayment incentive programs require you to make a certain number of payments on time to keep the reduced interest rate. The following repayment incentive programs may be available to you: *Interest Rate Reduction for Electronic Debit Account Repayment* and *Up-Front Interest Rebate*. These repayment incentive programs are described in the Borrower's Rights and Responsibilities Statement. The Direct Loan Servicing Center can provide you with more information on other repayment incentive programs that may be available.

10. Disbursement of loan money. Generally, the school will disburse (pay out) your loan money in more than one installment, usually at the beginning of each academic term (for example, at the beginning of each semester or quarter). If the school does not use academic terms, it will generally disburse your loan in at least two installments, one at the beginning of the period of study for which the loan is intended, and one at the midpoint of that period of study. The school may disburse some or all of your loan money by crediting it to your or your dependent student's account at the school, or may give it to you directly by check or other means. The Direct Loan Servicing Center will notify you each time the school disburses a portion of your loan.

11. Canceling your loan. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying the school. After your loan money is disbursed, there are two ways to cancel all or part of your loan:

- Within 14 days after the date the school notifies you that it has credited loan money to your or your dependent student's account at the school, or by the first day of the school's payment period, whichever is later (the school can tell you the first day of the payment period), you may tell the school that you want to cancel all or part of the loan money that was credited. The school will return the cancelled loan amount to us. You do not have to pay interest or the loan fee on the

part of your loan that you tell the school to cancel within this timeframe. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you tell the school to cancel. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that was cancelled.

If you ask the school to cancel all or part of your loan outside the timeframe described above, the school may process your cancellation request, but it is not required to do so. Within 120 days of the date the school disbursed your loan money (by crediting the loan money to your or your dependent student's account at the school, by paying it directly to you, or both), you may return all or part of your loan to us. Contact the Direct Loan Servicing Center for guidance on how and where to return your loan money. You do not have to pay interest or the loan fee on the part of your loan that you return within 120 days of the date that part of your loan is disbursed. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you return. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that you return.

12. Repaying your loan. The repayment period for each Direct PLUS Loan you receive under the MPN begins on the date of the final disbursement of that loan. This means that the repayment period for each loan will begin on a different date. Your first payment on each loan will be due within 60 days of the final disbursement of that loan. (If you are a graduate or professional student, you may defer making payments while you are attending school at least half time.) The amount of time you have to repay your loan will vary from 10 to 25 years, depending on the repayment plan that you choose and the total amount you have borrowed. For Direct PLUS Loans that enter repayment on or after July 1, 2006, you may choose one of the following repayment plans:

Standard Repayment Plan. Refer to the Borrower's Rights and Responsibilities Statement for the terms and conditions of this plan.

Graduated Repayment Plan. If you choose this plan, your payments will usually be lower at first, and will then increase over time. No single payment will be more than 3 times greater than any other payment. Under this plan, you must repay your loan in full within 10 years (not including periods of deferment and forbearance) from the date the loan entered repayment. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

Extended Repayment Plan. You may choose this plan only if (1) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998 or on the date you obtained a Direct Loan Program loan on or after October 7, 1998, and (2) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. If you are eligible for and choose this plan, you will make monthly payments based on fixed annual or graduated repayment amounts and will repay your loan in full over a period not to exceed 25 years (not including periods of deferment and forbearance) from the date your loan entered repayment. The maximum period of time you have to repay your loans will vary depending on the amount of your outstanding loan debt. Your payments must be at least \$50 per month and will be more, if necessary, to repay the loan within the required time period. If your loan has a variable interest rate, we may need to adjust the

number or amount of your payments to reflect changes in the interest rate.

These plans are designed to give you flexibility in meeting your obligation to repay your loan. You may change repayment plans at any time after you have begun repaying your loan. You may make loan payments before they are due, or pay more than the amount due each month, without penalty. When you have fully repaid a loan, the Direct Loan Servicing Center will send you a notice telling you that you have paid off your loan. You should keep this notice in a safe place.

13. Late charges and collection costs. We may require you to pay a late charge of not more than six cents for each dollar of each late payment if you do not make any part of a payment within 30 days after it is due. We may also require you to pay other charges and fees involved in collecting your loan.

14. Demand for immediate repayment. The entire unpaid amount of your loan becomes due and payable (on your MPN this is called "acceleration") if you (i) receive loan money, but you or your dependent student do not enroll at least half-time at the school that certified your eligibility for the loan; (ii) use your loan money to pay for anything other than expenses related to the cost of education at the school that certified your eligibility for the loan; (iii) make a false statement that causes you to receive a loan that you are not eligible to receive; or (iv) default on your loan.

15. Default. You are in default on your loan if you (i) do not repay the entire unpaid amount of your loan if we require you to do so; (ii) have not made a payment on your loan for at least 270 days; or (iii) do not comply with other terms and conditions of your loan, and we conclude that you no longer intend to honor your obligation to repay your loan.

If you default on your loan, we will report that fact to national credit bureaus. We may sue you, take all or part of your federal tax refund or other federal payments, and/or garnish your wages so that your employer is required to send us part of your salary to pay off your loan. We will require you to pay reasonable collection fees and costs, plus court costs and attorney fees. You will lose eligibility for other federal student aid and assistance under most federal benefit programs. You will lose eligibility for loan deferments.

16. Credit bureau notification. We will report information about your loan to one or more national credit bureaus. This information will include the disbursement dates, amount, and repayment status of your loan (for example, whether you are current or delinquent in making payments).

17. Deferment and forbearance (postponing payments).

If you meet certain requirements, you may receive a **deferment** that allows you to temporarily stop making payments on your loan. For example, you may receive a deferment for up to 3 years while you are unemployed. For a complete list of deferments, refer to the Borrower's Rights and Responsibilities Statement that you received previously. Effective July 1, 2006, for loans with a first disbursement made on or after July 1, 2001, an additional deferment is available for a period of up to three years during which a borrower is serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency. You are responsible for paying the interest on a Direct PLUS Loan during a period of deferment.

If you cannot make your scheduled loan payments but do not qualify for a deferment, we may give you a **forbearance**. A forbearance allows you to temporarily stop making payments on

your loan, temporarily make smaller payments, or extend the time for making payments. For example, we may give you a forbearance if you are temporarily unable to make scheduled loan payments because of financial hardship or illness. We may also give you a forbearance under other conditions as described in the Borrower's Rights and Responsibilities Statement that you received previously. You are responsible for paying the interest on a Direct PLUS Loan during a period of forbearance.

To request a deferment or forbearance, contact the Direct Loan Servicing Center.

18. Loan discharge. We may discharge (forgive) all or part of your loan if (i) you die, or the dependent student for whom you borrowed dies, and we receive an original or certified copy of a death certificate for you or the student; (ii) you are totally and permanently disabled, and you meet certain other requirements during a 3-year conditional discharge period; (iii) your loan is discharged in bankruptcy; (iv) you or the dependent student for whom you obtained the loan were unable to complete the program of study because the school closed; (v) the school falsely certified your loan eligibility; (vi) the school did not pay a refund of your loan money that it was required to pay under federal regulations; or, effective July 1, 2006, (vii) a loan in your name was falsely certified as a result of a crime of identity theft. To request a loan discharge, contact the Direct Loan Servicing Center.

In some cases, you may assert, as a defense against collection of your loan, that your school did something wrong or failed to do something that it should have done. You can make such a defense against repayment only if what your school did or did not do would give rise to a legal cause of action under applicable state law. If you believe that you have a defense against repayment of your loan, contact the Direct Loan Servicing Center.

19. Loan consolidation. You may consolidate (combine) one or more of your eligible federal education loans into one loan. Consolidation allows you to extend the period of time that you have to repay your loans, and to combine several loan debts into a single monthly payment. This may make it easier for you to repay your loans. However, you will pay more interest if you extend your repayment period through consolidation, since you will be making payments for a longer period of time. Contact the Direct Loan Servicing Center for more information about loan consolidation.

Revised Direct Grad PLUS Loan Plain Language Disclosure (PLD)

A sample Direct Grad PLUS Loan Plain Language Disclosure revised as a result of the Higher Education Reconciliation Act (HERA) of 2005 is included below:

Direct Loans

William D. Ford Federal Direct Loan Program

William D. Ford Federal Direct Loan Program Direct PLUS Loan Plain Language Disclosure

A graduate or professional student or the parent of a dependent undergraduate student may borrow a Federal Direct PLUS Loan (Direct PLUS Loan). In this document, "you" refers to the borrower.

1. General information. You are receiving a Direct PLUS Loan to help pay the costs of your education or your dependent student's education. This Plain Language Disclosure (Disclosure) summarizes important information about your loan. Please read this Disclosure carefully and keep a copy in a safe place. In this Disclosure, the words "we," "us," and "our" refer to the U.S. Department of Education. If you have questions about your loan, contact our Direct Loan Servicing Center. The Direct Loan Servicing Center's telephone number and address are shown on correspondence you will receive related to your loan.

You must repay this loan, even if you or your dependent undergraduate student are unhappy with the education provided by the school, do not complete the program of study, or cannot find work in that area of study. Borrow only the amount you can afford to repay, even if you are eligible to borrow more.

By accepting your loan proceeds, you are certifying, under penalty of perjury, that if you or your dependent undergraduate student, as applicable, have been convicted of, or have pled nolo contendere or guilty to, a crime involving fraud in obtaining federal student aid funds under Title IV of the Higher Education Act of 1965, as amended, you or the student have completed the repayment of those funds to the U.S. Department of Education, or to the loan holder in the case of a Title IV federal student loan.

2. Direct PLUS Loan Application and Master Promissory Note (MPN). You are receiving a loan under an MPN that you signed previously. You may receive additional loans under that MPN for up to 10 years if the school that you or your dependent student attend is authorized to use the multi-year feature of the MPN and chooses to do so. If the school is not authorized to use the multi-year feature of the MPN or chooses not to do so, or if you do not want to receive more than one loan under the same MPN, you must sign a new MPN for each loan. If you do not want to receive more than one loan under the same MPN, you must notify the school or the Direct Loan Servicing Center in writing.

If you are a parent borrowing for more than one dependent undergraduate student, you need a separate MPN for each student. If you are borrowing for yourself as a graduate or professional student and also as a parent for one or more

dependent undergraduate students, you need one MPN to borrow for yourself and a separate MPN to borrow for each dependent student.

3. Loan terms and conditions. This Disclosure summarizes information about your loan. Please refer to your MPN and the Borrower's Rights and Responsibilities Statement that you received previously for the complete terms and conditions of your loan. If you need another copy of the Borrower's Rights and Responsibilities Statement, contact the Direct Loan Servicing Center. Unless we tell you otherwise in this Disclosure, your MPN and the Borrower's Rights and Responsibilities Statement control the terms and conditions of your loan. Loans made under your MPN are subject to the Higher Education Act of 1965, as amended, and federal regulations. Any changes to the law or regulations apply to loans in accordance with the effective date of the changes.

4. Use of loan money. You may use your loan money only to pay educational expenses (for example, tuition, room, board, books) for yourself (if you are a graduate or professional student) or for your dependent undergraduate student (if you are a parent borrower) at the school that determined you were eligible to receive the loan. If you accept this loan, eligibility for other student assistance may be affected.

5. Information you must report. While you or your dependent student are still in school, you must notify the school if (i) you change your address or telephone number; (ii) you change your name (for example, maiden name to married name); (iii) you or your dependent student do not enroll at least half-time for the loan period certified by the school, or do not enroll at the school that certified your eligibility for the loan; (iv) you or your dependent student stop attending school or drop below half-time enrollment; or (v) you or your dependent student graduate or transfer to another school.

You must also notify the Direct Loan Servicing Center of any of the above changes at any time after you receive your loan. In addition, you must notify the Direct Loan Servicing Center if you (i) change employers, or if your employer's address or phone number changes; or (ii) have any other change in status that affects your loan (for example, if you received a deferment but no longer meet the eligibility requirements for that deferment).

6. Amount you may borrow. For each academic year, you may borrow up to – but not more than – the estimated cost of attendance minus the amount of any other financial aid awarded

for that academic year. The school determines the cost of attendance using federal guidelines.

7. Interest. Loans with a first disbursement on or after July 1, 2006 have a fixed interest rate of 7.9%. Loans with a first disbursement prior to July 1, 2006 have a variable interest rate that is adjusted each year on July 1 but will never be more than 9%. For loans with a variable interest rate, we will notify you annually of the interest rate formula and the actual interest rate. We charge interest on your Direct PLUS Loan from the date the loan is first disbursed until it is repaid in full, including during periods of deferment or forbearance. If you do not pay the interest as it is charged during deferment or forbearance, we will add it to the unpaid amount of your loan. This is called capitalization. Capitalization increases the unpaid amount of your loan, and we will then charge interest on the increased amount.

8. Loan fee. We charge a loan fee of 4% of the principal amount of the loan. This fee will be subtracted proportionately from each disbursement of your loan, and will be shown on a disclosure statement that we send to you.

9. Repayment incentive programs. A repayment incentive is a benefit that we offer to encourage you to repay your loan on time. Under a repayment incentive program, the interest rate we charge on your loan may be reduced. Some repayment incentive programs require you to make a certain number of payments on time to keep the reduced interest rate. The following repayment incentive programs may be available to you: *Interest Rate Reduction for Electronic Debit Account Repayment and Up-Front Interest Rebate*. These repayment incentive programs are described in the Borrower's Rights and Responsibilities Statement. The Direct Loan Servicing Center can provide you with more information on other repayment incentive programs that may be available.

10. Disbursement of loan money. Generally, the school will disburse (pay out) your loan money in more than one installment, usually at the beginning of each academic term (for example, at the beginning of each semester or quarter). If the school does not use academic terms, it will generally disburse your loan in at least two installments, one at the beginning of the period of study for which the loan is intended, and one at the midpoint of that period of study. The school may disburse some or all of your loan money by crediting it to your or your dependent student's account at the school, or may give it to you directly by check or other means. The Direct Loan Servicing Center will notify you each time the school disburses a portion of your loan.

11. Canceling your loan. Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying the school. After your loan money is disbursed, there are two ways to cancel all or part of your loan:

- Within 14 days after the date the school notifies you that it has credited loan money to your or your dependent student's account at the school, or by the first day of the school's payment period, whichever is later (the school can tell you the first day of the payment period), you may tell the school that you want to cancel all or part of the loan money that was credited. The school will return the cancelled loan amount to us. You do not have to pay interest or the loan fee on the part of your loan that you tell the school to cancel within this timeframe. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you tell the school to cancel. Your loan will be adjusted

to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that was cancelled.

If you ask the school to cancel all or part of your loan outside the timeframe described above, the school may process your cancellation request, but it is not required to do so. Within 120 days of the date the school disbursed your loan money (by crediting the loan money to your or your dependent student's account at the school, by paying it directly to you, or both), you may return all or part of your loan to us. Contact the Direct Loan Servicing Center for guidance on how and where to return your loan money. You do not have to pay interest or the loan fee on the part of your loan that you return within 120 days of the date that part of your loan is disbursed. If you received an up-front interest rebate on your loan, the rebate does not apply to the part of your loan that you return. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that you return.

12. Repaying your loan. The repayment period for each Direct PLUS Loan you receive under the MPN begins on the date of the final disbursement of that loan. This means that the repayment period for each loan will begin on a different date. Your first payment on each loan will be due within 60 days of the final disbursement of that loan. (If you are a graduate or professional student, you may defer making payments while you are attending school at least half time.) The amount of time you have to repay your loan will vary from 10 to 25 years, depending on the repayment plan that you choose and the total amount you have borrowed. For Direct PLUS Loans that enter repayment on or after July 1, 2006, you may choose one of the following repayment plans:

Standard Repayment Plan. Refer to the Borrower's Rights and Responsibilities Statement for the terms and conditions of this plan.

Graduated Repayment Plan. If you choose this plan, your payments will usually be lower at first, and will then increase over time. No single payment will be more than 3 times greater than any other payment. Under this plan, you must repay your loan in full within 10 years (not including periods of deferment and forbearance) from the date the loan entered repayment. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

Extended Repayment Plan. You may choose this plan only if (1) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998 or on the date you obtained a Direct Loan Program loan on or after October 7, 1998, and (2) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. If you are eligible for and choose this plan, you will make monthly payments based on fixed annual or graduated repayment amounts and will repay your loan in full over a period not to exceed 25 years (not including periods of deferment and forbearance) from the date your loan entered repayment. The maximum period of time you have to repay your loans will vary depending on the amount of your outstanding loan debt. Your payments must be at least \$50 per month and will be more, if necessary, to repay the loan within the required time period. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

These plans are designed to give you flexibility in meeting your obligation to repay your loan. You may change repayment plans at any time after you have begun repaying your loan. You may make loan payments before they are due, or pay more than the amount due each month, without penalty. When you have fully repaid a loan, the Direct Loan Servicing Center will send you a notice telling you that you have paid off your loan. You should keep this notice in a safe place.

13. Late charges and collection costs. We may require you to pay a late charge of not more than six cents for each dollar of each late payment if you do not make any part of a payment within 30 days after it is due. We may also require you to pay other charges and fees involved in collecting your loan.

14. Demand for immediate repayment. The entire unpaid amount of your loan becomes due and payable (on your MPN this is called "acceleration") if you (i) receive loan money, but you or your dependent student do not enroll at least half-time at the school that certified your eligibility for the loan; (ii) use your loan money to pay for anything other than expenses related to the cost of education at the school that certified your eligibility for the loan; (iii) make a false statement that causes you to receive a loan that you are not eligible to receive; or (iv) default on your loan.

15. Default. You are in default on your loan if you (i) do not repay the entire unpaid amount of your loan if we require you to do so; (ii) have not made a payment on your loan for at least 270 days; or (iii) do not comply with other terms and conditions of your loan, and we conclude that you no longer intend to honor your obligation to repay your loan.

If you default on your loan, we will report that fact to national credit bureaus. We may sue you, take all or part of your federal tax refund or other federal payments, and/or garnish your wages so that your employer is required to send us part of your salary to pay off your loan. We will require you to pay reasonable collection fees and costs, plus court costs and attorney fees. You will lose eligibility for other federal student aid and assistance under most federal benefit programs. You will lose eligibility for loan deferments.

16. Credit bureau notification. We will report information about your loan to one or more national credit bureaus. This information will include the disbursement dates, amount, and repayment status of your loan (for example, whether you are current or delinquent in making payments).

17. Deferment and forbearance (postponing payments).

If you meet certain requirements, you may receive a **deferment** that allows you to temporarily stop making payments on your loan. For example, you may receive a deferment for up to 3 years while you are unemployed. For a complete list of deferments, refer to the Borrower's Rights and Responsibilities Statement that you received previously. Effective July 1, 2006, for loans with a first disbursement made on or after July 1, 2001, an additional deferment is available for a period of up to three years during

which a borrower is serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency. You are responsible for paying the interest on a Direct PLUS Loan during a period of deferment.

If you cannot make your scheduled loan payments but do not qualify for a deferment, we may give you a **forbearance**. A forbearance allows you to temporarily stop making payments on your loan, temporarily make smaller payments, or extend the time for making payments. For example, we may give you a forbearance if you are temporarily unable to make scheduled loan payments because of financial hardship or illness. We may also give you a forbearance under other conditions as described in the Borrower's Rights and Responsibilities Statement that you received previously. You are responsible for paying the interest on a Direct PLUS Loan during a period of forbearance.

To request a deferment or forbearance, contact the Direct Loan Servicing Center.

18. Loan discharge. We may discharge (forgive) all or part of your loan if (i) you die, or the dependent student for whom you borrowed dies, and we receive an original or certified copy of a death certificate for you or the student; (ii) you are totally and permanently disabled, and you meet certain other requirements during a 3-year conditional discharge period; (iii) your loan is discharged in bankruptcy; (iv) you or the dependent student for whom you obtained the loan were unable to complete the program of study because the school closed; (v) the school falsely certified your loan eligibility; (vi) the school did not pay a refund of your loan money that it was required to pay under federal regulations; or, effective July 1, 2006, (vii) a loan in your name was falsely certified as a result of a crime of identity theft. To request a loan discharge, contact the Direct Loan Servicing Center.

In some cases, you may assert, as a defense against collection of your loan, that your school did something wrong or failed to do something that it should have done. You can make such a defense against repayment only if what your school did or did not do would give rise to a legal cause of action under applicable state law. If you believe that you have a defense against repayment of your loan, contact the Direct Loan Servicing Center.

19. Loan consolidation. You may consolidate (combine) one or more of your eligible federal education loans into one loan. Consolidation allows you to extend the period of time that you have to repay your loans, and to combine several loan debts into a single monthly payment. This may make it easier for you to repay your loans. However, you will pay more interest if you extend your repayment period through consolidation, since you will be making payments for a longer period of time. Contact the Direct Loan Servicing Center for more information about loan consolidation.