## ENTRANCE COUNSELING GUIDE

For Direct Loan Borrowers

### CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPES OF DIRECT LOANS</td>
<td>1</td>
</tr>
<tr>
<td>Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans,</td>
<td>1</td>
</tr>
<tr>
<td>Direct Consolidation Loans</td>
<td>1</td>
</tr>
<tr>
<td>THINKING ABOUT BORROWING?</td>
<td>2</td>
</tr>
<tr>
<td>How much can I borrow?</td>
<td>2</td>
</tr>
<tr>
<td>How much should I borrow?</td>
<td>3</td>
</tr>
<tr>
<td>How much interest do I have to pay?</td>
<td>5</td>
</tr>
<tr>
<td>Should I pay interest on my loan while I’m in school?</td>
<td>6</td>
</tr>
<tr>
<td>GETTING A LOAN</td>
<td>7</td>
</tr>
<tr>
<td>The Master Promissory Note</td>
<td>7</td>
</tr>
<tr>
<td>How your loan money is paid</td>
<td>7</td>
</tr>
<tr>
<td>PAYING BACK YOUR LOAN</td>
<td>9</td>
</tr>
<tr>
<td>Repayment options</td>
<td>9</td>
</tr>
<tr>
<td>Choosing a repayment plan</td>
<td>9</td>
</tr>
<tr>
<td>ESTIMATED DIRECT SUBSIDIZED &amp; UNSUBSIDIZED LOAN REPAYMENT AMOUNTS</td>
<td>11</td>
</tr>
<tr>
<td>STAYING OUT OF DEFAULT</td>
<td>12</td>
</tr>
<tr>
<td>Keep your loan account updated!</td>
<td>12</td>
</tr>
<tr>
<td>Deferments &amp; Forbearances</td>
<td>13</td>
</tr>
<tr>
<td>Delinquency &amp; Default</td>
<td>13</td>
</tr>
<tr>
<td>NOTEPAD</td>
<td>14</td>
</tr>
<tr>
<td>RIGHTS &amp; RESPONSIBILITIES SUMMARY CHECKLIST</td>
<td>15</td>
</tr>
<tr>
<td>RESOURCES FOR MORE INFORMATION ..(BACK COVER)</td>
<td></td>
</tr>
</tbody>
</table>

This guide provides a general overview of information that you will need to successfully repay the Direct Loans that you are receiving to help pay for your college costs. For more detailed information about a specific topic, see the Master Promissory Note for your loan or your copy of the Borrower’s Rights and Responsibilities Statement. Much of the information in this booklet is a part of entrance counseling, which first-time student borrowers must complete before receiving a Direct Subsidized/Unsubsidized Loan. Throughout this guide, the words “we,” “us,” “our” and “the Department” refer to the U.S. Department of Education. Also, all references to “loan” in the singular apply to more than one loan as well. All URLs were last accessed on Jan. 21, 2010.
TYPES OF DIRECT LOANS<sup>SM</sup>

The following Direct Loans are made through the William D. Ford Federal Direct Loan (Direct Loan) Program, which is administered by the U.S. Department of Education:

- **Direct Subsidized Loans**
  
  Direct Subsidized Loans are awarded on the basis of financial need. No interest is charged while you are enrolled at least half-time*, during your grace period or during deferment periods. Your school will determine if you are eligible for a Direct Subsidized Loan.

- **Direct Unsubsidized Loans**
  
  Direct Unsubsidized Loans are not based on financial need. Interest is charged during all periods, including while you are in school and during grace and deferment periods.

- **Direct PLUS Loans**
  
  Direct PLUS Loans are for parents of dependent students and for graduate/professional degree students. Interest is charged during all periods. PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance.

- **Direct Consolidation Loans**
  
  Direct Consolidation Loans are loans for students or parents. Borrowers can combine different federal student loans into one loan. You can read more about Direct Consolidation Loans on the Direct Loan Web site at: [www.direct.ed.gov](http://www.direct.ed.gov).

*Standards for determining half-time enrollment status may vary from school to school; check with your school to determine your enrollment status.
THINKING ABOUT BORROWING?

How much can I borrow?

The table below shows the MAXIMUM amount you can borrow each academic year, and in total, based on your dependency status and grade level. Whether you are considered dependent or independent is based on your age, marital status and other factors. Your school can tell you your dependency status. All graduate/professional degree students are considered independent.

The actual loan amounts and types of loans (subsidized, unsubsidized or a combination of both) that you are eligible to receive each year are determined by your school, based on such factors as your cost of attendance, Expected Family Contribution, other financial aid and the length of your program. The actual amounts you are eligible to borrow may be less than the maximum amounts shown below. If you are enrolled in certain health professions programs, you may qualify for higher annual and aggregate limits on Direct Unsubsidized Loans.

<table>
<thead>
<tr>
<th></th>
<th>Dependent Undergraduate Students</th>
<th>Independent Undergraduate Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Year (freshman)</td>
<td>$5,500 (maximum $3,500 subsidized)</td>
<td>$9,500 (maximum $3,500 subsidized)</td>
</tr>
<tr>
<td>Second Year (sophomore)</td>
<td>$6,500 (maximum $4,500 subsidized)</td>
<td>$10,500 (maximum $4,500 subsidized)</td>
</tr>
<tr>
<td>Third Year (junior) and beyond</td>
<td>$7,500 (maximum $5,500 subsidized)</td>
<td>$12,500 (maximum $5,500 subsidized)</td>
</tr>
<tr>
<td>Graduate/Professional Degree</td>
<td>N/A</td>
<td>$20,500 (maximum $8,500 subsidized)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Dependent Undergraduate Students</th>
<th>Independent Undergraduate Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>$31,000 (maximum $23,000 subsidized)</td>
<td>$57,500 (maximum $23,000 subsidized)</td>
</tr>
<tr>
<td>Graduate/Professional Degree</td>
<td>N/A</td>
<td>$138,500</td>
</tr>
</tbody>
</table>

*Direct PLUS Loans—Applicants may borrow up to the cost of attendance less any estimated financial aid, as determined by the school. The interest rate on Direct PLUS Loans is fixed at 7.9%.

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\[a\] Dependent students whose parents are unable to get PLUS Loans are eligible to receive the independent undergraduate loan limits.

\[b\] Excludes dependent students whose parents are unable to borrow a PLUS Loan.

\[c\] Includes dependent undergraduates whose parents are unable to borrow a PLUS Loan.

\[d\] The graduate/professional degree student maximum includes Stafford Loans received for undergraduate study.
How much should I borrow?

It’s a good idea to borrow only as much as you need. That way, you’ll have lower monthly payments when you’re repaying your loan. This will leave you more money for things like housing, child care and the expenses of starting a new career when you leave school.

How can I reduce the amount I need to borrow?

When you file your Free Application for Federal Student Aid (FAFSA®), you’ll automatically be considered for aid from all of the programs offered by the U.S. Department of Education, including grants and work-study. The information on your FAFSA is often used by your school to award grants and scholarships from other organizations, which may reduce the amount you have to borrow. You may be able to find additional sources of aid on your own—for instance, try a free scholarship search on the Web. The Department has a free search engine on Student Aid on the Web at: www.studentaid.ed.gov.

Another way to help pay for college and minimize debt is to work part-time. Working while going to school is not for everyone—but sometimes students who work while going to school may do better in their courses than students who don't work. Working also can provide you with valuable experience and skills needed for your career.

How can budgeting help me?

Developing and sticking to a budget while you’re in school can help minimize the amount you need to borrow. Make a list of your expected monthly expenses and subtract that from your available sources of income, such as your student aid and any outside employment. If your income is less than your expenses, you’ll need to reduce your expenses, find other sources of income or both.

You also can use a budget to see how much you can afford to repay, based on your estimated income and expenses after you leave school. This estimated budget can help you decide how much you can afford to borrow to go to school.


How will my student loan fit into my budget after I graduate?

To set up a monthly budget, start with your expected annual income. You can get rough estimates of salaries in different careers by checking the Occupational Outlook Handbook at: www.bls.gov/oco, and you may want to check jobs advertised in the area where you plan to live.
As you make your budget, first subtract 30 percent of your salary for federal, state and local taxes. Then divide the remainder by 12 to find your monthly take-home pay. Next estimate your expenses using the following table. If you're not sure what to estimate for a particular category, multiply your monthly take-home pay by the suggested percentages in the third column of the work sheet below.

To show you how this works, let's take the example of Myra Mensa, who is planning to get a degree in nursing and work as a registered nurse (RN). Myra used the Web to look up nursing jobs in the area where she plans to work after college and found that the starting salary for an RN is about $48,000. After taxes, she expects to have about $33,600 of available income a year. Divided by 12, this gives her a monthly budget of $2,800.

Based on this budget, Myra can afford student loan payments of approximately $168 a month. Myra could use the online repayment calculators at Direct Loan Servicing Online at: www.dl.ed.gov to get an idea of how much she can afford to borrow.

Keep in mind that these are rough estimates, as income and expense figures are likely to change due to inflation or other factors.

<table>
<thead>
<tr>
<th>Monthly Expenses</th>
<th>Sample Budget</th>
<th>Percentage of Monthly Take-Home Pay</th>
<th>Your Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent/Mortgage</td>
<td>$924</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Groceries</td>
<td>$420</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Clothing</td>
<td>$140</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Car payments</td>
<td>$336</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Utility bills (gas, electric, water, telephone, cable)</td>
<td>$196</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Medical (insurance, doctor visits, etc.)</td>
<td>$140</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Entertainment &amp; recreation (dining out, movies, music, vacation trips)</td>
<td>$196</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Other debts</td>
<td>$140</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous/Savings</td>
<td>$140</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Student loan payments</td>
<td>$168</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$2,800</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
Can I get help repaying my loan?

There are some careers that can help you repay your loan. For instance, you might be eligible to have as much as $17,500 of your Direct Subsidized or Unsubsidized Loan cancelled after 5 years of teaching in schools in low-income areas (for more details, see Student Aid on the Web at: www.studentaid.ed.gov). As a part of their recruitment programs, the Armed Forces may repay your education loan if you enlist in the military. For more information, contact your local military service recruitment office.

If you have made 120 payments on your Direct Loans after Oct. 1, 2007, while employed in certain public service jobs, the remaining balance that you owe may be forgiven. Only payments made under certain repayment plans may be counted toward the required 120 payments. You must not be in default on the loans that are forgiven. For more information about the Public Service Loan Forgiveness Program, read the Public Service Loan Forgiveness Fact Sheet available on the Direct Loan Web site at: www.direct.ed.gov/cancellation.html.

How much interest do I have to pay?

Direct Subsidized and Unsubsidized Loans have a fixed interest rate. Fixed rates are just that: a set rate for the life of the loan.

The fixed interest rate on Direct Subsidized Loans for undergraduate students varies based on the first disbursement date as listed in the table below. The interest rate on Direct Subsidized Loans made to graduate/professional degree students and all Direct Unsubsidized Loans is fixed at 6.8%.

We do not charge interest on your subsidized loan while you are enrolled at least half-time, during your grace period and deferment periods and during certain periods of repayment under the Income-Based Repayment Plan. We charge interest on your Direct Subsidized Loan during all other periods, starting on the day after your grace period ends (including forbearance periods). We charge interest on your unsubsidized loan during all periods, starting on the day it is disbursed.

<table>
<thead>
<tr>
<th>Interest Rates for Direct Subsidized Loans made to Undergraduate Students</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First Disbursement Date of Your Loan</strong></td>
</tr>
<tr>
<td>On or after July 1, 2008 and prior to July 1, 2009</td>
</tr>
<tr>
<td>On or after July 1, 2009 and prior to July 1, 2010</td>
</tr>
<tr>
<td>On or after July 1, 2010 and prior to July 1, 2011</td>
</tr>
<tr>
<td>On or after July 1, 2011 and prior to July 1, 2012</td>
</tr>
</tbody>
</table>

Remember, you must repay the full amount of your loan even if you don’t complete your education program, can’t find work related to your area of study or are dissatisfied with the education or services you received from your school.
Should I pay interest on my loan while I’m in school?

If you choose not to pay the interest on your Direct Unsubsidized Loan while you’re in school, we will add it to the unpaid principal amount of your loan. This is called “capitalization.” It will save you some money in the long run if you pay the interest as it accrues on your loan while you’re in school or during the grace period. This is also true if you pay any interest that accrues during periods when you defer loan payments after leaving school or during forbearance. Check your interest statements and use the online calculators at: [www.direct.ed.gov](http://www.direct.ed.gov) to find out how much you’ll pay over the life of the loan if the in-school interest is added to your loan balance.

* Capitalization increases the unpaid principal balance of your loan, and we then will charge interest on the increased principal amount.

* By law, a loan fee will be subtracted from each loan you receive. This fee will be subtracted proportionally from each disbursement of your loan. The loan fee will be shown on the loan disclosure statement that we send to you.
GETTING A LOAN

The Master Promissory Note

To get a Direct Loan, you must sign a Master Promissory Note (MPN). The MPN is a legally binding agreement that you will repay your loan to the Department. It contains the terms and conditions of the loan and explains how and when it must be repaid. You should keep the MPN and any other loan documents in a safe place for future reference.

The MPN can be used to make all of your Direct Loans during your college attendance (for up to 10 years), if your college chooses to use it to make multiple loans. For instance, if you’re attending a community college, you could sign one MPN and receive a subsidized and an unsubsidized loan for your first year as well as your second year of study. You’ll receive a disclosure statement that gives you specific information about any loan that the school plans to disburse under your MPN, including the loan amount and loan fees. The disclosure statement also tells you how to cancel your loan if you don’t want it.

How your loan money is paid

Generally, your school pays your loan money in at least two disbursements (for example, at the beginning of each semester or quarter or at the beginning and midpoint of your academic year).

Your school usually credits your loan payment to the school charges on your account (tuition and fees, room and board, and other authorized charges). If the loan money exceeds your school charges, the school will pay you the credit balance by check or other means. We notify you in writing each time your school disburses part of your loan money.

Unless you authorize your school to hold the credit balance for you, your school must pay it to you within 14 days after the start of classes for that academic term or payment period. If the loan money is credited to your school charges after classes start, the school has 14 days to pay the credit balance from the date it made the credit.
Before your loan money is disbursed, you may cancel all or part of your loan at any time by notifying your school. To cancel all or part of the loan after it’s been credited to your account, you must notify your school (certain time frames apply). See your Direct Subsidized/Unsubsidized Borrower’s Rights & Responsibilities Statement (provided with a copy of your Master Promissory Note) for more detailed information. As an alternative, you may return all or part of the loan to the Department’s Direct Loan Servicing Center (go to www.dl.ed.gov for contact information) within 120 days of the date your school credited your account or paid you the credit balance. For either type of cancellation, your loan will be adjusted to eliminate any interest or loan fee amount that applies to the cancelled portion of your loan.

**Cautions:**

You may use the loan money you receive only to pay for your education expenses at the school that is giving you the loan. Education expenses include such school charges as tuition, room and board, fees and such indirect expenses as books, supplies, equipment, dependent child care expenses, transportation and rental or purchase of a personal computer.

The entire unpaid amount of your loan may become due and payable (on your MPN this is called “acceleration”) if it turns out that you are not eligible for the loan. For instance, you’ll have to pay back the loan immediately if:

- You don’t enroll at least half-time at the school that gave you the loan.
- You gave false information that made you eligible for the loan.
Because we report information about your loan to consumer reporting agencies, making timely payments on your loan will help you keep a good credit rating. If you think you might have a problem making the scheduled payments on your loan, contact the Direct Loan Servicing Center immediately (for contact information see: www.dl.ed.gov). The Direct Loan Servicing Center can help you avoid the costs and penalties of delinquency and default.

Repayment options

When you leave school, you may need some time to find the right job and perhaps move to a new place. So that you won't have to start making payments on your loan right after you leave school, each of your Direct Subsidized and Unsubsidized Loans has a six-month “grace period” that starts the day after you stop attending school or you drop below half-time enrollment. You don't have to make payments during this grace period—we'll let you know when the grace period is coming to an end and when you need to make your first payment. Interest does continue to accrue on any unsubsidized loan.

Choosing a repayment plan

You may choose one of the following repayment plans to repay your loan:

STANDARD REPAYMENT PLAN—You will make fixed monthly payments to repay your loan in full within 10 years (not including periods of deferment or forbearance) from the date the loan entered repayment.

GRADUATED REPAYMENT PLAN—Your payments will be lower at first and then will increase, usually every 2 years. You must repay your loan in full within 10 years (not including periods of deferment or forbearance). At a minimum, your payments must cover the interest that accumulates on your loan between payments.

EXTENDED REPAYMENT PLAN—You will make fixed or graduated monthly payments and repay your loan in full over a period of time, not to exceed 25 years (not including periods of deferment or forbearance). To be eligible, you must have more than $30,000 in Direct Loan debt and you must not have had an outstanding balance on a Direct Loan on Oct. 7, 1998.

Parent PLUS Loan borrowers may request a deferment of a PLUS loan first disbursed on or after July 1, 2008, while the student for whom the loan was borrowed is enrolled at least half-time and for an additional six months after the student ceases to be enrolled at least half-time. If a parent borrower does not pay the interest that accumulates during the deferment period, it will be added to the unpaid principal amount of the loan and the parent borrower will have to pay interest on this higher principal balance.
**INCOME-CONTINGENT REPAYMENT PLAN** — Your monthly payment amount will be based on your annual income (and that of your spouse if you are married), your family size, and the total amount of your Direct Subsidized and Unsubsidized Loans. As your income changes, your payments may change. If you do not repay your loan after 25 years under this plan, the unpaid portion will be forgiven. You may have to pay income tax on any amount forgiven. Note that Direct PLUS Loans made to parent borrowers may not be repaid under this repayment plan.

**INCOME-BASED REPAYMENT PLAN** — This is a new repayment plan for Direct Loans except parent Direct PLUS Loans or Direct Consolidation Loans used to repay parent PLUS loans. Under the Income-Based Repayment (IBR) Plan, your required monthly payment is set at an amount that is intended to be affordable based on your income and family size. To initially qualify for the IBR Plan, you must have a partial financial hardship. You are considered to have a partial financial hardship if the monthly amount you would be required to pay on your eligible loans under a Standard Repayment Plan with a 10-year repayment period is more than the monthly amount you would have to repay under the IBR Plan. If you repay under this plan for 25 years and meet other requirements, you may have any remaining balance of your loan(s) forgiven. For more detailed information about this plan or to download an IBR fact sheet, go to the Direct Loan Web site at: [www.direct.ed.gov](http://www.direct.ed.gov). You can also use the chart on the next page to get an idea of the monthly payment amounts under this plan.

If you don’t choose a repayment plan, we’ll use the Standard Repayment Plan, but you may change repayment plans at any time after you have begun repaying your loan. Another option is to combine your loans into a single Direct Consolidation Loan, which simplifies repayment and allows you to extend the repayment period. (Note that while your monthly payments may be lower, you may pay more interest over the life of the Direct Consolidation Loan.)

You can use the charts on the next page to estimate the monthly and total amounts you would repay under these repayment plans. You can also get more precise estimates by using the online calculators at: [www.direct.ed.gov](http://www.direct.ed.gov).
Estimated Direct Subsidized and Unsubsidized Loan Repayment Amounts, by Type of Repayment Plan and Debt Amounts

Estimated Monthly Payments Under The Standard, Extended (fixed and graduated), and Graduated Repayment Plans

<table>
<thead>
<tr>
<th>Debt When Loan Enters Repayment</th>
<th>Standard</th>
<th>Extended&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Graduated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Month</td>
<td>Total</td>
<td>Per Month</td>
</tr>
<tr>
<td>$5,000</td>
<td>$58</td>
<td>$6,904</td>
<td>Not Available</td>
</tr>
<tr>
<td>10,000</td>
<td>115</td>
<td>13,809</td>
<td>Not Available</td>
</tr>
<tr>
<td>25,000</td>
<td>288</td>
<td>34,524</td>
<td>Not Available</td>
</tr>
<tr>
<td>50,000</td>
<td>575</td>
<td>69,048</td>
<td>347</td>
</tr>
<tr>
<td>100,000</td>
<td>1,151</td>
<td>138,096</td>
<td>694</td>
</tr>
</tbody>
</table>

Estimated Monthly Payments Under the Income Contingent and Income-Based Repayment Plans

<table>
<thead>
<tr>
<th>Debt When Loan Enters Repayment</th>
<th>Income Contingent&lt;sup&gt;d&lt;/sup&gt; Income = $25,000</th>
<th>Income-Based&lt;sup&gt;d&lt;/sup&gt; Income = $25,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Married/HOH&lt;sup&gt;e&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Per Month</td>
<td>Total</td>
</tr>
<tr>
<td>$5,000</td>
<td>$37</td>
<td>$8,347</td>
</tr>
<tr>
<td>10,000</td>
<td>75</td>
<td>16,699</td>
</tr>
<tr>
<td>25,000</td>
<td>186</td>
<td>41,748</td>
</tr>
<tr>
<td>50,000</td>
<td>247</td>
<td>93,322</td>
</tr>
<tr>
<td>100,000</td>
<td>247</td>
<td>187,553</td>
</tr>
</tbody>
</table>

<sup>a</sup>Payments were calculated using a fixed interest rate of 6.8% for Direct Subsidized and Unsubsidized Loans disbursed on or after July 1, 2006.

<sup>b</sup>To be eligible, you must have more than $30,000 in Direct Loan debt and you must not have had an outstanding balance on a Direct Loan on Oct. 7, 1998.

<sup>c</sup>This is your beginning payment, which may increase during your 10-year repayment term.

<sup>d</sup>Assumes a 5% annual income growth (Census Bureau).

<sup>e</sup>HOH is Head of Household. Assumes a family size of two.

For more customized estimates, use the online repayment calculator at: [www.direct.ed.gov](http://www.direct.ed.gov).
STAYING OUT OF DEFAULT

Remember, if you are having trouble making your payments, contact the Direct Loan Servicing Center. The Direct Loan Servicing Center will work with you to help you avoid the serious consequences of default. Don’t let your loan get into this situation. Take advantage of the electronic services options offered at Direct Loan Servicing Online at: www.dl.ed.gov to help you keep track of your payments and benefit from the on-time payment discounts offered by the U.S. Department of Education. Don’t default on your loans.

Keep your loan account updated!

One of the most common reasons a loan goes into default is because we don't have current information on a borrower. You must notify the Direct Loan Servicing Center and your school’s financial aid office about certain changes. This is your responsibility.

Until you graduate or leave school, you must notify your school’s financial aid office and the Direct Loan Servicing Center if you:

- Change your local address, permanent address or telephone number;
- Change your name (for example, maiden name to married name);
- Do not enroll at least half-time for the loan period certified by the school;
- Do not enroll at the school that certified your loan;
- Stop attending school or drop below half-time enrollment;
- Transfer from one school to another school; or
- Graduate.

Keep in Contact! You must also notify the Direct Loan Servicing Center if any of these types of changes happen after you leave school. In addition, you must notify the Direct Loan Servicing Center if you have any other change that would affect your loan, for example, if your eligibility for a deferment has ended.
Deferments & Forbearances

Make sure you take advantage of deferments and forbearances when you need them. You may qualify for a deferment if:

- You return to school at least half-time at a school that’s eligible to participate in the Department’s Federal Student Aid programs, or studying full-time in a graduate fellowship program or an approved disability rehabilitation program.

- You are unemployed or meet our rules for economic hardship.*

You may also be eligible for a deferment based on qualifying active duty service in the U.S. Armed Forces or National Guard. Refer to the Master Promissory Note for your loan or contact the Direct Loan Servicing Center for more information about specific qualifications for deferment based on military service.

If you do not meet the eligibility requirements for a deferment, a forbearance also may allow you to postpone loan payments in certain situations, such as during an illness.

Delinquency & Default

You are delinquent if your monthly payment is not received by the due date. If you fail to make a payment, we'll send you a reminder that your payment is late. If your account remains delinquent, we'll send you warning notices reminding you of your obligation to repay your loan and the consequences of default. Late fees may be added if your payments are late, and your delinquency will be reported to one or more national credit bureaus.

Default occurs when you become 270 days delinquent in making payments on your loan. If you default:

- The entire unpaid amount of your loan becomes due and payable.

- We will report your default to national credit bureaus.

- We may sue you, or take all or part of your federal tax refund or other federal payments, or garnish your wages so that your employer is required to send us part of your salary to pay off your loan, or a combination of these actions.

- You’ll have to pay reasonable collection fees and costs, plus court costs and attorney fees.

- You’ll lose eligibility for other federal student aid and most other federal benefit programs.

- You’ll no longer be eligible for loan deferments.

*Deferment limited to a total of 3 years.
**Loan Repayment Notes**

- How much you expect to borrow over the full length of your program:
- The estimated monthly repayment amount for that amount of your loan (see chart on next page):
- Your expected monthly take-home salary in your new career:

**Resources**

- College costs and other information: [www.nces.ed.gov/ipeds/cool](http://www.nces.ed.gov/ipeds/cool)
- *Occupational Outlook Handbook*—average current salaries in different career fields: [www.bls.gov/oco](http://www.bls.gov/oco)

**Contacts for your Direct Loans**

- If you have questions about your eligibility, the amount you can borrow or disbursements, contact the school you are attending.
- If you want to learn more about the Direct Loan Program, go to the Direct Loan Web site at: [www.direct.ed.gov](http://www.direct.ed.gov).
- Once your loan has been disbursed, you may contact the Direct Loan Servicing Center for help, especially if you’re having trouble repaying or you need to report a change of address or a name change: 1-800-848-0979 or (TTY) 1-800-848-0983.


- You can use this Web site to look up your account information, change your address, request a deferment, learn about making online payments or set up automatic payments, change your billing options, etc. You will need to use your Personal Identification Number (PIN) to see your account information. Most students receive their PIN in a separate mailing after they first apply for aid. If you can’t find your PIN, you can request a new one at *Direct Loan Servicing Online* at: [www.dl.ed.gov](http://www.dl.ed.gov).
- Direct Loans also are reported to the *National Student Loan Data System* (NSLDS), accessible at [www.nslds.ed.gov](http://www.nslds.ed.gov), which maintains your overall financial aid history for federal student aid.
RIGHTS & RESPONSIBILITIES SUMMARY CHECKLIST—ENTRANCE COUNSELING

I understand that I have a right to the following (check all boxes as you read):

- Written information on my loan obligations and information on my rights and responsibilities as a borrower
- A grace period and an explanation of what this means
- A disclosure statement, received before I begin to repay my loan, that includes information about interest rates, fees, the balance I owe, and the number of payments
- Deferment of repayment or forbearance for certain defined periods, if I qualify and if I request deferment or forbearance
- Prepayment of my loan in whole or in part anytime without an early-repayment penalty
- A copy of my MPN either before or at the time my loan is disbursed
- Documentation that my loan is paid in full

I understand I am responsible for:

- Completing exit counseling before I leave school or drop below half-time enrollment
- Repaying my loan even if I do not complete my academic program, I am dissatisfied with the education I received, or I am unable to find employment after I graduate
- Notifying my school and the Direct Loan Servicing Center if I:
  - Move or change my address;
  - Change my name;
  - Withdraw from school or drop below half-time enrollment;
  - Transfer to another school;
  - Fail to enroll or reenroll in school for the period for which the loan was intended;
  - Change my expected graduation date; or
  - Graduate.
- Making monthly payments on my loan after my grace period ends, unless I have a deferment or a forbearance and repayment options will be provided during exit counseling.
- Notifying the Direct Loan Servicing Center of anything that might alter my eligibility for an existing deferment or forbearance.

I have received entrance counseling materials for Direct Subsidized and Direct Unsubsidized Loan borrowers. I have read and I understand my rights and responsibilities as a borrower. I understand that I have a loan from the federal government that must be repaid.

__________________________  ____________________________
Student’s Name (Please Print)  Student’s Social Security Number

__________________________  ____________________________
Student’s Signature  Date
RESOURCES FOR MORE INFORMATION

For general information about student aid and applying for student aid:

**Federal Student Aid Information Center**
1-800-4-FED-AID
1-800-433-3243
(TTY 1-800-730-8913)

**Student Aid on the Web:**
www.studentaid.ed.gov

Visit the Web site or call for general information about student aid. From the Web site, you can access a variety of student aid publications in English and Spanish, including *Funding Education Beyond High School: The Guide to Federal Student Aid*, a comprehensive overview of the financial aid process.

For information about everything related to Direct Loan Repayment:

**Borrower Services at the Direct Loan Servicing Center**
1-800-848-0979
(TTY 1-800-848-0983)

**Direct Loan Servicing Online:**
www.dl.ed.gov

For information about Direct Loans:

**Direct Loan Web site:**
www.direct.ed.gov

Track your outstanding federal student loans:

**National Student Loan Data System (NSLDS) Web site:**
www.NSLDS.ed.gov

Note: NSLDS only tracks federal student loans; you will need to track any private education loans you may have using your own records.

For everything you need to know about Direct Consolidation Loans, including an online application:

**Direct Loan Consolidation Center**
1-800-557-7392
(TTY 1-800-557-7395)

**Direct Loan Consolidation Web site:**
www.loanconsolidation.ed.gov