

# EXIT COUNSELING GUIDE

For Direct Loan Borrowers



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For Direct Loan Borrowers

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*This guide provides a general overview of information that you will need to successfully repay the Direct Subsidized, Direct Unsubsidized, and Direct PLUS Loans that you've received to help pay for your college costs. For more detailed information about any of the topics covered in this guide, see your Master Promissory Note or your copy of the **Borrower's Rights and Responsibilities Statement**. Much of the information in this booklet is a part of exit counseling, which you must complete when you leave school. You may also take exit counseling on the Web— but check with your school to see if it requires its students to attend exit counseling sessions in person.*

*Throughout this guide, the words "we," "us," and "our" refer to the U.S. Department of Education.*

# CONTACTS FOR YOUR DIRECT LOANS

## Direct Loan Servicing Center:

**1-800-848-0979 or  
(TTD)1-800-848-0983**

**U.S. Department of Education  
Direct Loan Servicing Center  
P.O. Box 5609  
Greenville, TX 75403-5609**

Call the Servicing Center for all of your Direct Loan needs—especially if you're having trouble repaying your loan or if you need to report a change of address or name change.

## Direct Loans on the Web: [www.dl.ed.gov](http://www.dl.ed.gov)

You can use this Web site to look up your account information, request a deferment, make online payments, 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 PINs 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 Loans on the Web. (Direct Loans are also reported to the National Student Loan Data System, which may be viewed at [www.nsls.ed.gov](http://www.nsls.ed.gov) and includes your financial aid history for other federal student aid programs.)



In most cases, the loans that you received were made under a Master Promissory Note (MPN). If your school used the multiyear feature of the MPN, your loans may have been made under a single MPN. The MPN is a legally binding agreement and contains the terms and conditions of your loans. You should keep the MPN and any other loan documents in a safe place. An MPN can generally be used for multiple loans for up to 10 years, so if you return to school later, you may be able to receive additional loans without signing a new MPN.



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## Money management

Money management is just as important after you leave school as when you were attending. But your income will now come from work earnings rather than from student aid, and you'll probably have some different expenses when you start your new job. The following tips will help you manage your money so that you can meet your household expenses and keep making on-time loan payments. In the process, you will be establishing a good credit rating, which is a key to your financial independence.

**(1) Use the notepad on page 11 to develop a budget that includes items like rent, car payments, utility bills, food, clothing, insurance, and entertainment, so you have an accurate picture of your monthly expenses (in addition to your loan payments).**

It's easy to underestimate or overlook some of these expenses, so you may want to round each of your estimated costs up. If your income is less than your expenses, you'll need to find ways to cut your expenses. If you find you just can't make the loan payments, check **Direct Loans on the Web** or call the Servicing Center to see if you qualify for deferment or forbearance.

**(2) As a borrower, know your student loan rights and responsibilities.**

Make sure to apply for a deferment if you're going back to school or are eligible for an unemployment or economic hardship deferment. (See the discussion of deferments and forbearance in this guide.) Keep the Direct Loan Servicing Center informed of your address, phone number and other information, and contact the Center if you're having trouble making payments. Keep your loan paperwork in a safe place, including your promissory note, disclosure notices and billing statements. Remember, talk to the Direct Loan Servicing Center when you have questions or concerns.

**(3) Make the most of your grace period.**

Each of your Direct Subsidized and Unsubsidized Loans has a 6-month grace period, and you don't have to start making payments until it ends. However, there is no grace period for Student PLUS Loans. Your grace period is an excellent time to get your finances in order. If you are working, you can use the grace period to get a head start on repaying your loans. By making some payments during the grace period, you can reduce the interest costs for your loan. These payments don't have to be set monthly amounts—you can choose to prepay some of your loan or just to pay the interest that is charged on any of your loans that are unsubsidized.



We report student loan information to national credit agencies. If you do not want these credit agencies to release your contact information to banks or other companies, which might use it for bulk mail or telephone offers, call the credit reporting industry's "Opt-Out" number at 1-888-567-8688.



PHOTO: ©Jupiter Images Corporation, 2008.

**(4) Pay the interest that accrues on your loans during periods when you aren't required to make loan payments.**

If you pay the interest that is charged during the grace period and any periods of deferment and forbearance, it may save you a significant amount of money over the life of the loan. Start by making your interest payments a budget priority. Remember that paying a little more each month can save you many dollars later.

**(5) Understand and limit credit card use.**

Credit cards are one form of borrowing money, but they often carry a very high interest rate. Many credit cards give you a low interest rate for the first few months and then raise the rate after this initial period. If you decide you need a credit card, it's best to stick with one card with a low limit. Pay off your total balance each month. If that is not possible, always pay more than the minimum. If you make a payment late (even a day late!), you may have to pay a finance charge, and your interest rate may go up.

## Repaying your loan

You may need some time to find the right job and perhaps move to a new place. The good news is 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 6-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. If you are a graduate/professional student Direct PLUS Loan borrower, your PLUS loan has no grace period. For more information, refer to your copy of the *Borrower's Rights and Responsibilities Statement*.

The Direct Loan Servicing Center will notify you of the date your first payment is due, and send billing notices to the address that it has on file. However, you must make payments on your loans even if you do not receive a bill or repayment notice.

You may choose one of the following repayment plans to repay your loan. If you don't choose a repayment plan, we will place you on the Standard Repayment Plan. You can change repayment plans at any time after you begin repaying your loan.

**Standard Repayment Plan**—You will make fixed monthly payments and repay your loan within 10 years from the date the loan entered repayment (not including periods of deferment or forbearance). Your payments must be at least \$50 a month and will be more if that is necessary to repay the loan within the required time period.

**Extended Fixed Repayment Plan or Extended Graduated Repayment Plan**—You will make fixed or graduated monthly payments and repay your loan in full over time, **not to exceed 25 years** (not including periods of deferment or forbearance).

**Graduated Repayment Plan**—Your payments will be lower at first and will then 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.



If you are a reservist called to active duty for more than 30 days, be sure to contact the Direct Loan Servicing Center to let us know your status. The time you serve generally doesn't count against your grace period—see your copy of the *Borrower's Rights and Responsibilities Statement*.



To be eligible for either Extended Repayment Plan, you must be a new borrower\* on or after Oct. 7, 1998, and you must have more than \$30,000 in outstanding Direct Loans.

\* You received your first Direct Loan on or after this date, or had no outstanding Direct Loan balance when you took out your first loan after this date.



## Things to consider:

You may be tempted to go with the easiest repayment terms right out of school, and you may end up paying for that decision. Extending the repayment period or reducing payments while your loan principal is high will significantly increase your interest costs. There is no penalty if you make loan payments before they are due or pay more than the amount due each month. We apply your payments and prepayments in the following order: (1) late charges and collection costs first; (2) outstanding interest second; and (3) outstanding principal last.

**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 the loan isn't fully repaid after 25 years under this plan, the unpaid portion will be forgiven. You may have to pay income tax on any amount forgiven. Beginning July 1, 2009, student PLUS loan borrowers may choose this plan.

**Income-Based Repayment Plan**—Beginning July 1, 2009, a new Income-Based Repayment plan will be available to student Direct Loan borrowers. Under this plan your required monthly payment will be based on your income during any period when you have a partial financial hardship. Your monthly payment may be adjusted annually. The maximum repayment period under this plan may exceed 10 years (additional conditions apply).

You can get more information about these plans and also calculate your estimated repayments under each plan by going to **Direct Loans on the Web**.

If you have a loan balance of \$10,000 or less and a job right out of school, you may want to go with the Standard Repayment plan. If you've borrowed more than \$10,000 and your starting salary is relatively low, it might be a good idea to choose the Graduated or Income Contingent Repayment plan. But remember: you are likely to pay more interest with these plans. You can use the charts on pages 12–14 to estimate the monthly and total amounts you would repay under these plans. If you have exceptional circumstances that aren't met by these repayment plans, contact the Direct Loan Servicing Center—we may be able to provide you with an alternative repayment plan.



## Simplify your life and save money, too!

Sign up to make your loan payments electronically and we'll knock 0.25% off your interest rate while you repay under this option! When we send your first bill, we'll tell you how to sign up for an Electronic Debit Account (EDA) and have your bank automatically make your monthly loan payments for you. You won't have to write checks, use stamps, or worry if the payment will get to us by the due date. (You can also find out about EDA at Direct Loans on the Web, or by calling the Servicing Center.)



## Payment of interest & capitalization

All Direct Loans first disbursed on or after July 1, 2006, have a fixed interest rate. The interest rate on Direct Subsidized Loans for undergraduate students is based on the first disbursement date as listed in the table below. The interest rate for Direct Unsubsidized Loans is fixed at 6.8%, and the interest rate for Direct PLUS Loans is fixed rate of 7.9%. Note that Direct Subsidized and Unsubsidized 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%.

Interest Rates for Direct Subsidized Loans	
First Disbursement Date of Your Loan	Interest Rate
On or after July 1, 2006 and prior to July 1, 2008	6.8%
On or after July 1, 2008 and prior to July 1, 2009	6.0%
On or after July 1, 2009 and prior to July 1, 2010	5.6%
On or after July 1, 2010 and prior to July 1, 2011	4.5%
On or after July 1, 2011 and prior to July 1, 2012	3.4%

We do not charge interest on *subsidized* loans while you are enrolled at least half-time, during your grace period, and during deferment periods. We charge interest on a Direct Subsidized Loan during all other periods (starting on the day after your grace period ends), including forbearance periods. We charge interest on unsubsidized and PLUS loans during all periods (starting on the day your loan is disbursed). Therefore, you will pay more interest on an unsubsidized or PLUS loan than on a subsidized loan.

If you choose not to pay the interest that accrues during periods when you're not required to make loan payments, we will add the unpaid interest to the unpaid principal amount of your loan. This is called "capitalization." Capitalization increases the total amount you will have to repay, because you'll have to pay interest on this higher principal balance.

To give you an example, if you get a one-year deferment on repaying \$15,000 in unsubsidized loans and choose to capitalize the interest that accrues over that year, at the end of the deferment instead of paying the interest as it accrues, your monthly payments will be \$11 higher and the total amount you repay over a 10-year repayment period under the Standard Repayment Plan will be \$389 more (based on an interest rate of 6.8%). To get a better idea of how capitalization would affect your payments, use the interest calculator at **Direct Loans on the Web**.



You may be able to deduct some or all of the interest that you pay on your Direct Loans. See IRS Publication 970 (available at [www.irs.ustreas.gov](http://www.irs.ustreas.gov)).



You are not responsible for paying the interest on subsidized loans during a period of deferment. However, you are responsible for paying the interest on your *unsubsidized* and student PLUS loans during a period of deferment. You are responsible for paying the interest on all loans during a period of forbearance.



## Avoiding delinquency & default

If you think you might have a problem making the scheduled payments on your loans, contact the Direct Loan Servicing Center immediately to discuss other repayment plan options and whether you are eligible for a deferment or a forbearance.

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 loans and the consequences of default. Late fees may be added, and your delinquency will be reported to one or more national credit agencies.

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

- ▶ The *entire* unpaid amount of your loan becomes *due and payable*.
- ▶ We will *report* your default to *national credit agencies*.
- ▶ We may *sue* you, *take* all or part of your *federal tax refund* or other federal payments, and *garnish* your *wages* so that your employer is required to send us part of your salary to pay off your loan.
- ▶ You'll have to pay 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 (such as deferments while you're in school, unemployed, or experiencing economic hardship).

## Deferment & forbearance (postponing payments)

In some cases, you can get a **deferment** that allows you to temporarily stop making payments on your loan. You may receive a deferment while you are:

- ▶ Enrolled at least half-time at an eligible school, or studying full-time in a graduate fellowship program or an approved disability rehabilitation program.
- ▶ Unemployed or experiencing economic hardship.\*
- ▶ 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, and if you are serving on or after Oct. 1, 2007, for the 180-day period following the demobilization date for your qualifying service.
- ▶ Are a member of the National Guard or other reserve component of the U.S. Armed Forces (current or retired) and are called or ordered to active duty while enrolled at an eligible school, or within 6 months after have been enrolled. For this deferment, the deferment period is after the completion of the active duty service.

\* Deferment limited to a total of 3 years.



You may be eligible to receive additional deferments if you received a federal student loan before July 1, 1993. Check your copy of the *Borrower's Rights and Responsibilities Statement* for details on these older deferments.

In most cases, you need to submit a deferment request to the Direct Loan Servicing Center along with documentation of your eligibility for the deferment. Visit Direct Loans on the Web for more deferment information and forms, or call the Servicing Center for assistance. If you've gone back to school and the Servicing Center receives enrollment information that shows you're enrolled at least half-time, the Servicing Center will automatically put your loans into deferment and notify you. (You have the option of cancelling the deferment and continuing to make payments on your loan.)

*If you are in default on your loan, you are not eligible for a deferment.*

If you can't make your scheduled loan payments, but don't qualify for a deferment, we may be able to 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. Some common reasons for getting a forbearance are illness, financial hardship or serving in a medical or dental internship or residency. (See your copy of the *Borrower's Rights and Responsibilities Statement* for more examples. You can get more information and forbearance forms from Direct Loans on the Web or by calling the Direct Loan Servicing Center.)

Under certain circumstances, we can automatically give you forbearance. For instance, we may give you forbearance while we're processing a deferment, forbearance, cancellation, change in repayment plan or consolidation, or if you're involved in a military mobilization or a local or national emergency.



Some borrowers are eligible for an "up front interest rebate"—the notice we send you will tell you if you received the rebate.

To keep an interest rebate, you must make all of your first 12 monthly payments on time when your loan enters repayment. If you lose the rebate, we will add the rebate amount back to your loan balance.



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## Conditions for cancelling all or part of your loan

If you are a new borrower\* and are a **full-time teacher in a low-income elementary or secondary school** for 5 consecutive years, you may be able to have as much as \$17,500 of your subsidized or unsubsidized loans cancelled. See our “Stafford Loan Forgiveness Program for Teachers” brochure or contact the Direct Loan Servicing Center at 1-800-848-0979 for more information.

If you are employed in certain public service jobs and have made 120 payments on your Direct Loans (after Oct. 1, 2007), 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. Parent PLUS borrowers also may qualify; check with the Direct Loan Servicing Center for more information.

In certain cases, you may be able to have all or a part of your loan cancelled because:

- ▶ Your school closed before you completed your program.
- ▶ Your school forged your signature on your promissory note or falsely certified that you were eligible to get the loan.
- ▶ Your loan was falsely certified because of identity theft (additional requirements apply).
- ▶ You withdrew from school but the school didn't pay a refund that it owed under its written policy or our regulations. Check with the school to see how refund policies apply to federal aid at the school.

In general, you must repay your loan even if you don't graduate, can't find work in your field of study or are dissatisfied with the education program.

Your loan may be discharged if you are determined to be **totally and permanently disabled** and you meet certain requirements during a 3-year conditional discharge period. To apply for this discharge, you must provide a physician's statement that you became totally and permanently disabled after the loan was made. See your copy of the *Borrower's Rights and Responsibilities Statement* for more information on the procedures and conditions for this discharge.

Your loan may be cancelled if it is discharged in **bankruptcy**. This is not an automatic process—you must prove to the bankruptcy court that repaying the loan would cause undue hardship.

The last provision is cancellation for **death**. To cancel the loan, a family member or other representative must provide an original or a copy of the original or certified copy of the death certificate to the Direct Loan Servicing Center.

Go to **Direct Loans on the Web** or call the Servicing Center for more information or to get a cancellation form. You can also find more information in your copy of the *Borrower's Rights and Responsibilities Statement*.

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\* You are considered a new borrower if you did not have an outstanding balance on an FFEL or Direct Loan on Oct. 1, 1998, or on the date you obtained an FFEL or Direct Loan after Oct. 1, 1998.



## Loan consolidation

There may be advantages to consolidating (combining) your federal student loans into one loan, starting with the convenience of making a single monthly payment. Consolidation generally extends the repayment period, resulting in a lower 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. You can use the chart on page 15 of this guide to estimate the monthly and total amounts you would repay if you consolidate your loans. Contact the Direct Loan Consolidation Center for more information about loan consolidation at 1-800-557-7392, TTY for the hearing-impaired at 1-800-557-7395. The Direct Loans Consolidation Web site also has an online calculator that you can use to find out how much you'll pay each month if you consolidate.

**Go to:** [www.loanconsolidation.ed.gov](http://www.loanconsolidation.ed.gov)



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**The FSA Ombudsman** works with federal student loan borrowers to resolve loan disputes or problems from an impartial, independent viewpoint. If you have a problem with a federal student loan, you should contact the holder of the loan (for Direct Loans, contact the Direct Loan Servicing Center) and try to resolve the problem. If you can't resolve the problem with the loan holder, contact the FSA Ombudsman at 1-877-557-2575 or [www.ombudsman.ed.gov](http://www.ombudsman.ed.gov)

# NOTEPAD

## Student Loans

Total amount borrowed:

Expected start of repayment:

### Info.

**Direct Loan Servicing Center**  
P.O. Box 5609  
Greenville, TX 75403-5609  
1-800-848-0979 or  
(TDD) 1-800-848-0983  
[www.dl.ed.gov](http://www.dl.ed.gov)

### Job Resources

*Occupational Outlook Handbook*—average current salaries in different career fields  
[www.bls.gov/oco](http://www.bls.gov/oco)

America's Job Bank—listings for current jobs  
[www.ajb.org](http://www.ajb.org)

### Reminders

- ▶ You will receive a sample **monthly repayment schedule** based on the total amount that you borrowed from the Direct Loan Program. (This will either be given to you as a part of exit counseling, or mailed to you.) Of course, you can get an estimate of your loan payments at any time by using the repayment calculator on **Direct Loans on the Web**.
- ▶ Your school will need to get contact information when you leave school: your expected permanent address (where you plan to live after you leave school); the address of your next of kin; and the name and address of your expected employer (if you have a job lined up).

## Monthly budget

Estimated monthly loan payment:

Rent or mortgage payment:

Utilities:

(gas, electric, phone, cable)

Transportation:

(car payments, gas)

Groceries:

Entertainment/  
dining out:

Average allowance for non-monthly expenses:

(car & health insurance, clothing, vacation, car & home repairs and other unpredictable expenses)

Total expenses:

ESTIMATED

MONTHLY SALARY:

- ▶ You are required to notify the **Direct Loan Servicing Center** if you change your name, address, telephone number, or employer (or if your employer's address or telephone number changes), or if you have any change in status that would affect your loan (for instance, you no longer meet the eligibility requirements for a deferment). This is essential—one of the most common reasons a loan goes into default is because the borrower fails to report these kinds of changes.



## Estimated Direct Subsidized and Unsubsidized Loan Repayment Amounts by Type of Repayment Plan and Debt Amounts<sup>a</sup>

Initial Debt When You Entered Repayment	Standard		Extended <sup>b, c</sup>		Graduated		Income Contingent <sup>e, f</sup> Income = \$15,000	
							Single	
	Per Month	Total	Per Month	Total	Per <sup>d</sup> Month	Total	Per Month	Total
\$ 3,500	\$ 50	\$ 4,471	Not Available		\$ 25	\$ 5,157	\$ 21	\$ 6,939
5,000	58	6,905	Not Available		40	7,278	30	9,912
5,500	63	7,595	Not Available		43	8,007	33	10,903
7,500	86	10,357	Not Available		59	10,919	45	14,868
10,500	121	14,500	Not Available		83	15,283	64	20,815
15,000	173	20,714	Not Available		119	21,834	87	29,685
18,500	213	25,548	Not Available		146	26,929	87	35,992
23,000	265	31,762	Not Available		182	33,479	87	43,141
30,000	345	41,429	Not Available		237	43,668	87	52,340
40,000	460	55,239	277	83,289	316	58,229	87	62,005
46,000	529	63,524	319	95,782	363	66,956	87	66,084
50,000	575	69,048	347	104,111	395	72,778	87	68,153
60,000	690	82,858	391	140,816	474	87,334	87	71,219
70,000	806	96,667	456	164,285	535	101,890	87	71,721
80,000	920	110,477	522	187,754	632	116,445	87	71,721
90,000	1,036	124,287	587	211,224	711	131,002	87	71,721
100,000	1,151	138,096	652	234,693	790	145,556	87	71,721
110,000	1,266	151,906	717	258,162	869	160,111	87	71,721
120,000	1,381	165,716	782	281,632	948	174,668	87	71,721
130,000	1,496	179,525	848	305,101	1,024	189,224	87	71,721
138,500	1,594	191,264	903	325,050	1,094	201,596	87	71,721

<sup>a</sup> The estimated payments were calculated using a fixed interest rate of 6.80%.

<sup>b</sup> This repayment plan is available only to borrowers who have an outstanding balance on Direct Loan Program loans that exceeds \$30,000 and who had no outstanding balance on a Direct Loan Program loan as of Oct. 7, 1998, or on the date they obtained a Direct Loan Program loan on or after Oct. 7, 1998.

<sup>c</sup> These amounts are fixed, rounded to the nearest dollar, and calculated based on a 25-year repayment term.

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

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

<sup>f</sup> The estimated payments were calculated using the formula requirements in effect during 2006.

<sup>g</sup> HOH is head of household; assumes a family size of two.

Income Contingent <sup>e, f</sup> Income = \$15,000		Income Contingent <sup>e, f</sup> Income = \$25,000				Income Contingent <sup>e, f</sup> Income = \$45,000			
Married/HOH <sup>g</sup>		Single		Married/HOH <sup>g</sup>		Single		Married/HOH <sup>g</sup>	
Per Month	Total	Per Month	Total	Per Month	Total	Per Month <sup>b</sup>	Total	Per Month	Total
\$ 20	\$ 6,673	\$ 27	\$ 6,092	\$ 25	\$ 6,405	\$ 36	\$ 5,128	\$ 36	\$ 5,128
29	9,533	38	8,703	36	9,150	51	7,326	51	7,326
30	10,463	42	9,574	40	10,065	56	8,059	56	8,059
30	14,019	57	13,055	54	13,725	76	10,989	76	10,989
30	18,877	80	18,277	76	19,215	107	15,385	107	15,385
30	25,229	114	26,110	108	27,451	153	21,978	153	21,978
30	29,465	140	32,203	134	33,856	188	27,106	188	27,106
30	34,128	174	40,036	166	42,091	234	33,699	234	33,699
30	39,756	228	52,221	197	55,743	407	43,956	407	43,956
30	44,827	253	72,717	197	84,352	468	58,608	468	58,608
30	46,378	253	89,828	197	105,472	509	67,399	509	67,399
30	46,860	253	103,268	197	111,575	587	73,260	587	73,260
30	46,934	253	136,615	197	124,085	587	88,251	587	88,251
30	46,934	253	148,551	197	133,106	587	106,551	587	106,551
30	46,934	253	157,373	197	138,907	587	128,146	587	128,146
30	46,934	253	163,227	197	141,925	587	152,967	587	152,967
30	46,934	253	166,457	197	142,386	587	181,224	587	181,224
30	46,934	253	167,172	197	142,386	587	213,485	587	213,485
30	46,934	253	167,172	197	142,386	587	250,281	587	250,281
30	46,934	253	167,172	197	142,386	587	292,313	587	292,313
30	46,934	253	167,172	197	142,386	587	332,912	587	332,912

For more customized estimates, use the Direct Loan Servicing Center's online repayment calculator at: [www.dl.ed.gov](http://www.dl.ed.gov)



## Estimated Direct PLUS Loan Repayment Amounts by Type of Repayment Plan and Debt Amounts<sup>a</sup>

Repaying Your Loans <sup>a</sup>						
Initial Debt When You Entered Repayment	Standard		Graduated		Extended <sup>c</sup>	
	Per Month	Total	Per Month <sup>b</sup>	Total	Per Month	Total
\$ 2,500	\$ 50	\$ 3,042	\$ 25	\$ 3,746	Not Available	
5,000	60	7,248	42	7,694	Not Available	
7,500	91	10,872	63	11,543	Not Available	
10,000	121	14,496	84	15,388	Not Available	
15,000	181	21,744	127	23,083	Not Available	
20,000	242	28,992	169	30,778	Not Available	
25,000	302	36,240	211	38,472	Not Available	
30,000	362	43,488	253	46,166	Not Available	
35,000	423	50,736	295	53,859	268	80,346
40,000	483	57,984	338	61,554	306	91,824
45,000	544	65,232	380	69,248	344	103,302
50,000	604	72,480	422	76,942	383	114,781
55,000	664	79,708	464	84,636	421	126,259
60,000	725	86,976	507	92,330	459	137,737
65,000	785	94,224	549	100,023	497	149,215
70,000	846	101,472	591	107,718	536	160,693
75,000	906	108,720	633	115,413	574	172,171
80,000	966	115,968	675	123,107	612	183,649
90,000	1,087	130,464	760	138,496	689	206,605
100,000	1,208	144,960	844	153,882	765	229,561
110,000	1,329	159,456	929	169,270	842	252,517
120,000	1,450	173,952	1,013	184,661	918	275,473
130,000	1,570	188,448	1,097	200,047	995	298,429
140,000	1,691	202,944	1,182	215,435	1,071	321,385
150,000	1,812	217,440	1,266	230,824	1,148	344,342

<sup>a</sup> The estimated payments were calculated using the maximum interest rate for Direct PLUS Loan borrowers which is 7.9%.

<sup>b</sup> This is your beginning payment, which may increase.

<sup>c</sup> You may choose the Extended Repayment Plan only if (1) you had no outstanding balance on a Direct Loan Program loan as of Oct. 7, 1998, or on the date you obtained a Direct Loan Program loan after Oct. 7, 1998, and (2) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. Under the Extended Repayment Plan, you may choose to make fixed or graduated monthly payments. This example shows fixed monthly payments.



## Estimated Direct Consolidation Loan Repayment Amounts by Type of Repayment Plan and Debt Amounts<sup>a</sup>

Consolidation Borrowers <sup>a</sup>												
Initial Debt When You Entered Repayment	Standard		Extended Fixed <sup>b, c</sup>		Extended Graduated <sup>b, c</sup>		Graduated		Income Contingent <sup>e, 9</sup> Income = \$25,000			
	Per Month	Total	Per Month	Total	Per Month	Total	Per <sup>d</sup> Month	Total	Single		Married/HOH <sup>f</sup>	
									Per Month	Total	Per Month	Total
\$ 5,000	\$ 61	\$ 7,359	N/A	N/A	N/A	N/A	\$ 38	\$ 7,978	\$ 40	\$ 9,414	\$ 38	\$ 12,294
10,000	97	17,461	N/A	N/A	N/A	N/A	69	19,165	80	18,828	77	24,587
25,000	213	51,123	N/A	N/A	N/A	N/A	172	55,491	201	47,069	189	61,588
50,000	394	118,264	394	118,264	344	126,834	344	126,834	247	106,630	189	137,766
100,000	751	270,452	788	236,528	688	253,660	688	286,305	247	187,553	189	170,153

<sup>a</sup> Payments are 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> This repayment plan is available to borrowers who had no outstanding balance on a Direct Loan as of Oct. 7, 1998, or on the date the borrower obtained a Direct Loan on or after Oct. 7, 1998, and if the borrower has an outstanding Direct Loan balance that exceeds \$30,000.

<sup>c</sup> These amounts are fixed, rounded to the nearest dollar, and are calculated based on a 25-year repayment term.

<sup>d</sup> This is the beginning payment, which may increase during a 10-year repayment term.

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

<sup>f</sup> HOH is head of household. Assumes a family size of two.

<sup>9</sup> The estimated payments were calculated using the formula requirements in effect during 2006.



# STUDENT CONTACT INFORMATION

I have attended exit counseling for Direct Subsidized, Direct Unsubsidized, and Direct PLUS Loan borrowers. I understand that I must repay my loan according to the terms of my promissory note.

## Student Information Section (Please print clearly.)

Name (last, first, middle initial) Social Security Number Date of Birth

Expected Permanent Address (street, city, state, zip code)

Home Area Code/Telephone Number Driver's License (state and number)

Write N/A if you do not know the information requested for your expected employer.

Expected Employer (after leaving school) Expected Employer's Area Code/Telephone Number

Expected Employer's Address (street, city, state, zip code)

You must list your next of kin with a U.S. address different from yours, who will know your whereabouts for at least 3 years.

1.

Name

Street Address

City, State, Zip Code

Area Code/Telephone Number

References: You must list 2 persons with different U.S. addresses, who will know your whereabouts for at least 3 years.

1.

Name

Street Address

City, State, Zip Code

Area Code/Telephone Number

Student's Signature

2.

Name

Street Address

City, State, Zip Code

Area Code/Telephone Number

Date

This page can be used to update your contact information at the Direct Loan Servicing Center. Your school is required to update this information with the Servicing Center after you've completed exit counseling. You are also required to notify the Servicing Center of any changes to this information after you leave school.

U.S. Department of Education • Direct Loan Servicing Center • P.O. Box 5609 • Greenville, TX 75403-5609  
800-848-0979 • [www.dl.ed.gov](http://www.dl.ed.gov)

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## Rights and Responsibilities Summary Checklist—Exit Counseling

**I understand that I have a right to the following (check all boxes that apply):**

- 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 the Direct Loan Servicing Center if I:
  - Move/change my address;
  - Change my telephone number;
  - Change my name; or
  - Change employers or my employer's address or telephone number changes.
- Making monthly payments on my loan after my grace period ends, unless I have a deferment or a forbearance
- Notifying the Direct Loan Servicing Center of anything that might alter my eligibility for an existing deferment or forbearance

**I have received exit counseling materials for Direct Subsidized, Direct Unsubsidized, and Direct PLUS 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.**

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Student's Name (Please Print)

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Student's Social Security Number

---

Student's Signature

---

Date

**Your school may ask you to complete and sign this checklist to document that you completed exit counseling.**

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