Federal Stafford Loan Master Promissory Note (MPN) (continued)

Governing Law

The terms of this MPN will be interpreted in accordance with the higher Education Act of 1965, as amended (20 U.S.C. 1076 et seq.), the U.S. Department of Education’s (the Department’s) regulations, or any other applicable federal statutes and regulations collectively referred to as the Act, and the guarantor’s policies. Applicable state law, except as prohibited by federal law, may prevail for certain borrowee rights, remedies, and defenses in addition to those stated in this MPN.

Disclosure of Terms

This MPN applies to (both subsidized and unsubsidized) Federal Stafford Loans. Loans disbursed under this MPN are subject to the loan limits specified in the Act. Under this MPN, the principal amount that I owe and am required to repay, will be the sum of all disbursements (unless I reduce or cancel any disbursements as provided below). My lender will determine whether to make any loan under this MPN after my eligibility is determined by the school. At the time I first receive the first disbursement for each loan, a disclosure statement will be provided to me identifying the amount of the loan and additional terms of the loan. This information includes details on the Borrower’s Rights and Responsibilities Statement accompanying this MPN. The borrower’s Rights and Responsibilities Statement and any disclosure statement I receive in connection with any loan under this MPN are hereby incorporated into this MPN. If this information in this MPN is different from that included in the specific terms and information disclosed to my loan, I may request additional loan funds for my educational expenses, up to the annual and aggregate loan limits as specified in the Act. The school will determine my eligibility and notify my lender. I will be notified of any increase or other change in the amount of my loan(s).

I agree that the lender may sell or assign the MPN under my loan(s) and acknowledge that any loan may be assigned independently of any other loan to which this MPN applies. I agree that each loan is separately enforceable based on a title and a separate copy of the MPN. I understand that my lender may use a service to handle billing and other communications related to my loan.

Loan Cancellation

I may pay back all or part of a disbursement within three years of the loan. The interest, however, will be determined on the remainder of the loan. The loan will be due within ten years of the disbursement. The interest charged on my subsidized Federal Stafford Loan(s) is not interest payable by the federal government under the Act. To pay all interest charges on my unsubsidized Federal Stafford Loan(s), I must make interest payments on a monthly basis, as the terms specified in the loan agreement and the loan document. I agree that the lender may capitalize such interest charges if I default on the loan.

Derogation Fee and Federal Default Fee

An origination fee and a federal default fee may be charged for each loan made under this MPN. The origination fee is the maximum amount of each fee and authorizes both fees to be deducted from your loan amount. The fee(s) is charged, as the origination fee for each disbursement will be deducted proportionately from each disbursement of my loan(s). I understand the origination fee and federal default fees may be refunded only to the extent permitted by the Act.

Late Charges and Collection Costs

The lender may not collect from me: (i) a late charge for any late installment payment if I do not make any part of a required installment payment within ten (10) days after the date it becomes due, and (ii) any other charges and fees that are specifically permitted by the Act for the collection of my loan(s). If I default on any loan(s), I will pay reasonable collection fees and costs, plus court costs and attorney fees. Repayment

I must repay the full amount of the loan(s) made under this MPN and accrued interest. Federal Stafford Loans have a repayment period of ten (10) years. The repayment period begins on the day immediately following the end of the 5-month grace period. I understand that the school’s certification of my loan eligibility determines whether my loans are subsidized and/or unsubsidized loans.

I will have a choice of repayment plans as provided in the Act. My repayment period for each loan generally lasts at least five years but may be a longer period (up to 25 years) or a shorter period (up to five years) under an extended or income-based repayment plan. The maximum period for repaying a loan does not include periods of deferment or forbearance.

The lender will provide me with a repayment schedule that identifies my payment amounts and due dates. Except as otherwise provided in the Act, the minimum amount payment required on any FFELP loans is $500 or the amount of interest and principal, whichever is greater. Payments made on or after the due date of the payment of the principal and interest on the loan in the course of an extended or income-based repayment plan. If a payment is not made or is not made in full, the lender will send a notice to me. The notice will specify the amount of the delinquency and the consequences of the delinquency. The lender will not accept payments that do not pay the full amount due on the loan.

Notice about Subsequent Loans Made under This MPN

This MPN authorizes the lender to disburse multiple loans to pay my educational costs during the multi-year term of this MPN. Subsequent loans may be made for the same or subsequent periods of enrollment at schools designated by the Secretary of the U.S. Department of Education.

I understand that a subsequent loan will be made under this MPN after the following datelines: (i) the date my lender receives my written notice that the loan is to be used for future loans; (ii) the date my lender receives my written notice that such a loan is to be used for future loans; (iii) the date my lender receives my written notice that such a loan is to be used for future loans; (iv) the date my lender receives my written notice that such a loan is to be used for future loans; (v) the date my lender receives my written notice that such a loan is to be used for future loans; (vi) the date my lender receives my written notice that such a loan is to be used for future loans; (vii) the date my lender receives my written notice that such a loan is to be used for future loans; (viii) the date my lender receives my written notice that such a loan is to be used for future loans; and (ix) the date my lender receives my written notice that such a loan is to be used for future loans. Any change to the Act applies to loans in accordance with the effective date of the change.
Borrower’s Rights and Responsibilities Statement

Important Notice: The Borrower’s Rights and Responsibilities Statement provides additional information about the terms and conditions of loans you receive under the Federal Stafford Loan Master Promissory Note (MPN). Please keep a copy of this statement because it is required each time you receive a new loan. You may contact our lender at any time for another copy of this statement.

The following types of loans are currently available under the Federal Family Education Loan Program (FFELP):
- Subsidized Federal Stafford Loan
- Unsubsidized Federal Stafford Loan
- Federal PLUS Loan
- Federal Consolidation Loan

The FFELP is authorized by Title IV, Part B of the Higher Education Act of 1965, as amended.

I must complete a Free Application for Federal Student Aid (FAFSA) before I receive a subsidized or unsubsidized Federal Stafford Loan.

1. Governing Law – Loans disbursed under this MPN are subject to the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq.) and applicable U.S. Department of Education regulations (collectively referred to as the “Act”). NOTE: Any change to the Act applies to loans in accordance with the effective date of the change.

2. Use of This MPN – I may receive more than one loan under this MPN over a period not to exceed 10 years. I may receive loans under this MPN from the original lender or from a different lender who assumes the rights and responsibilities under this MPN, even if I change schools and even if the borrower changes. I may request in writing that no further loans be disbursed under this MPN. I will wish to use a new lender. I must sign a new MPN. I must also sign a new MPN before receiving a new loan if required to do so by my lender.

3. Subsidized and Unsubsidized Loans – There are two types of Federal Stafford Loans that I may be eligible for under this MPN: subsidized and unsubsidized. The subsidized Federal Stafford Loan is based on need. If I qualify, the government pays the lender the interest due on my subsidized loan while I am in school at least half time and during grace and deferment periods. The unsubsidized Federal Stafford Loan is not based on need. I am otherwise responsible for interest that accrues on my subsidized loan. The unsubsidized Federal Stafford Loan is not based on need. I am responsible for all interest that accrues on my unsubsidized loans.

4. Loan Limits – The charts on page 3 show the maximum Federal Stafford Loan limits (subsidized and unsubsidized) that I may borrow under the FFELP and the William D. Ford Federal Direct Loan (Direct Loan) Program for a single academic year (annual loan limits) and the maximum amounts I may borrow in total for undergraduate and graduate study (aggregate loan limits). The annual and aggregate loan limits for dependent undergraduate students also apply to dependent undergraduate students whose parents are not eligible to receive a PLUS loan. If I am enrolled in certain health professions programs, I may qualify for higher annual and aggregate loan limits on unsubsidized Federal Stafford Loans.

The annual loan amount I may receive for an academic year may be less than the annual loan limits shown in the Federal Stafford Loan Annual Limits chart and will be determined by my school, based on my academic level (freshman, sophomore, etc.), dependency status, and other factors, such as:
- The length of the program or the remaining portion of the program in which I am enrolled, if it is less than a full-time student;
- My cost of attendance;
- My expected family contribution;
- Other financial aid I receive;
- My remaining eligibility under the annual and aggregate loan limits; and
- Other provisions authorized by the Act.

If I am an undergraduate student, my school must determine my eligibility for a Federal Pell Grant before I receive a Federal Stafford Loan. My school must determine my eligibility for a subsidized Federal Stafford Loan before determining my eligibility for an unsubsidized Federal Stafford Loan. I will not qualify for a subsidized Federal Stafford Loan if I do not qualify for a subsidized Federal Stafford Loan. I may not receive a Federal Stafford Loan if I have not received a Federal Stafford Loan for more than one academic year, in addition, I may not receive a Federal Stafford Loan if I have a federal student loan from more than one lender or if I have received a Federal Stafford Loan for more than one academic year. In some cases, I may not be eligible for loans for which I have not applied.

5. Use of Loan Money – I must use the loan money for authorized educational costs as defined in the Act. I may use the loan money to pay for tuition, fees, room, board, school fees, books, supplies, equipment, dependent child care, transportation, rent, or purchase of a personal computer, origination fee and federal default insurance, or other documents, authorized costs.

6. Loan Fees – I may be charged an origination fee and a federal default fee for each loan made under this MPN. Neither fee may exceed the rate specified in the Act. If I am charged these fees, they will be deducted proportionately from each disbursement.

7. Disbursement of Loan Money – My loan money will be disbursed to the school by electronic funds transfer (EFT), master check, direct deposit, or individual checks. If my loan money is disbursed by individual checks, the check will be sent to the school or the lender to be payable to me and the school or payable to me.

 Generally, my loan money will be disbursed in multiple installments based on the academic term at my school. If my school does not have academic terms or does not have academic terms that meet certain requirements, my loan money will be disbursed in at least two installments: one at the beginning and one at the midpoint of my enrollment period for the applicable loan.

If my loan money exceeds the amount owed to the school, my school will forward the remainder of my loan money to me, unless I authorize the school to hold the remainder as a credit balance.

I am entitled to a study abroad program through a school in the U.S. (Home School). The loan money will be disbursed to my Home School unless I request directly to me. I may provide the school a written authorization designating an individual not affiliated with the Home School as my power of attorney to negotiate any loan disbursements on my behalf.

I am entitled to a foreign study program where the school elects to provide the disbursement of my loan money to the school directly. I am entitled to a foreign study program where I am enrolled in a foreign school, my loan money will be disbursed to the foreign school or, if the foreign school requests, directly to me. If this is my first Stafford Loan under either the FFELP or the Federal Direct Loan Program, I must receive notice of my loan disbursement and receive the first installment of my loan money from the school directly.

If I am enrolled in a foreign school, my loan money will be disbursed to the foreign school or, if the foreign school requests, directly to me.
6. Change of Status — I must notify my school and/or lender or any subsequent holder of my Loan(s) of certain changes.

I must notify my school's financial aid office if any of the following occur:

- I notice my enrollment status to stop for more than half-time,
- I withdraw from school,
- I stop attending classes,
- I do not attend for any term,
- I have a change in my expected graduation date, and/or
- I change my name, local address, permanent address, or e-mail address.

Shortly before my enrollment ends, I must participate in exit counseling with my school, during which I will update my loan records about my:

- Permanent address,
- E-mail address,
- Telephone number,
- Future employer, and
- References.

I must notify the lender of a particular loan if I do not enroll with respect to such loan:

- At least half-time for the loan period or term, or
- At the school that certified my eligibility.

I must notify my school or any subsequent holder of my Loan(s) if any of the following occurs before my loan(s) is repaid:

- I change my address, telephone number, or e-mail address,
- I change my name (for example, maiden name to married name),
- I withdraw from school or begin attending less than half-time,
- I transfer to another school,
- I change my employer or my employer's address or telephone number changes, and/or
- I have any other change in status that would affect my loan (e.g., loss of eligibility for an unemployment deferment by obtaining a job).

9. Effect of Federal Loans on Other Student Aid — Except for a Federal Stafford Loan, any Federal school loan may affect my eligibility for other financial aid. Therefore, it may be beneficial to contact my school to discuss other types of student assistance that may be available.

10. Grace Period — I will receive a 6-month grace period before the first payment of my Stafford Loan must be made. The grace period begins the day after I leave school at least half-time at an eligible school.

My grace period does not include any period of up to 3 years during which I am called or ordered to active duty for more than 30 days as a reserve component of the Armed Forces of the United States, including the period necessary for me to resume enrollment at the next available regular enrollment period.

11. Interest Rates — The interest rate on a Federal Stafford Loan (subsidized or unsubsidized) will be a fixed rate. Different fixed interest rates may apply to specific loans made under this VPAI depending on whether the loan is unsubsidized or subsidized, when the loan is first disbursed, and whether I am an undergraduate or graduate student. The actual interest rate applicable to each of my loans will be disclosed to me. After receiving the actual interest rate, I may cancel or reduce any loan obtained under this VPAI.

If I do not pay the interest that is due on my Federal Stafford Loan(s) as described in the "Subsidized and Unsubsidized Loans" section of this Borrower's Rights and Responsibilities Statement, the interest rate on my loans obtained prior to military service may be limited to 6% during my military service. To receive this benefit, I must contact my loan holder for information about the documentation I must provide to show that I qualify.

12. Payment of Interest — I am responsible for payment of all interest that accrues on the unpaid principal amount of my Federal Stafford Loan(s) from the date of origination until the loan(s) is paid in full, except for interest on my unsubsidized Federal Stafford Loan(s) the government pays on my behalf while I am in school at least half-time, for up to 3 years during active-duty service in the Armed Forces as described in the "Grace Period" section of the Borrower's Rights and Responsibilities Statement. During the grace period after I leave school during any period of active-duty service, or (effective July 1, 2005) for a limited period during income-based repayment if I choose that plan and I am eligible for that plan.

My lender will, during the in-school, grace, and deferment periods, and during any periods in which I am on active-duty military service, defer and suspend principal payments on my subsidized and unsubsidized Federal Stafford Loans.

Interest that accrues on my unsubsidized FFELP loans during active-duty service in the Armed Forces as described in the "Grace Period" section of the Borrower's Rights and Responsibilities Statement. During the grace period after I leave school during any period of active-duty service, or (effective July 1, 2005) for a limited period during income-based repayment if I choose that plan and I am eligible for that plan.

My lender will also, during the in-school, grace, and deferment periods, and during any periods in which I am on active-duty military service, defer and suspend principal payments on my subsidized and unsubsidized Federal Stafford Loans.

If I do not pay the interest that is due on my Federal Stafford Loan(s) as described in the "Subsidized and Unsubsidized Loans" section of this Borrower's Rights and Responsibilities Statement, the interest rate on my loans obtained prior to military service may be limited to 6% during my military service. To receive this benefit, I must contact my loan holder for information about the documentation I must provide to show that I qualify.

13. Loan Cancellation — I understand that the terms of a full or partial loan cancellation depend on when I request the cancellation.

- At any time before my loan money is disbursed, I may elect to cancel all or part of my loan money by notifying my school the loan officer. No origination fees, federal insurance fees, or interest will be charged on the loan amount that I decline.

- If my school receives the money by EFT or master check and I have filed my loan application, I may cancel all or part of the loan by notifying the school within 14 days after the date the school notifies me of my right to cancel the loan, or by the first day of the next monthly payment period, whichever is later. My school can cancel the loan if I do not cancel it within those 14 days.
my written confirmation of the loan I want to receive, I may cancel all or part of the loan by informing the school within 36 days of the date the school notified me of my right to cancel the loan. If I cancel all or a portion of a loan as described in this paragraph, my lender may reduce the cancelled amount to my lender and the loan fees will be eliminated or reduced in proportion to the amount returned.

- Any time within 120 days of disbursement, I may pay back all or a part of my loan. The loan fees will be reduced or eliminated in proportion to the amount returned.

15. Repayment - All loans made under this MPN must be repaid.

The repayment period for each loan made under this MPN begins the day after the 6-month grace period on that loan ends. My lender will notify me of the due date for the first payment.

I am obligated to make payments on my loan(s) even if I do not receive a billing statement or repayment notice. My minimum annual payment required on all my FFEL PPS loans will be at least $50 a month or a proportionate of the loan balance if I do not make any payments during the year.

My minimum annual payment required on all my FFEL PPS loans will not, unless the lender otherwise agrees, be less than $50, except during the portion of the repayment period so provided in a graduated or income-sensitive repayment plan, in an extended repayment plan with graduated payments, or in an income-based repayment plan. Notwithstanding the preceding sentence, my minimum annual scheduled payments will not be less than the amount of interest plus the accrued and outstanding payments, unless provided under an income-based repayment plan.

My repayment period for each loan generally lasts at least 5 years but may not exceed 10 years from the date the loan is entered into.

I will be given the opportunity to choose one of the following repayment plans:

- Standard Repayment Plan - If I choose this plan, I will make fixed monthly payments on my loan(s) in full within 10 years from the date the loan(s) is entered into. Payments must be at least $50 a month and will be more if necessary to repay the loan(s) within the required time period.

- Graduated Repayment Plan - If I choose this plan, I will make lower monthly payments at first, and my payments will increase over time. No single payment will be more than three times greater than any other payment. I will repay my loan(s) in full within 10 years from the date the loan(s) is entered into.

- Extended Repayment Plan - If I choose this plan, I will make lower monthly payments based on fixed annual or graduated repayment amounts over a period not to exceed 25 years. If I make fixed payments, payments must be at least $50 a month and will be more if necessary to repay the loan(s) within the required time period. I am only eligible for this plan if (i) at the time I obtain a loan under this MPN I have no outstanding balance on a FFEL PPS loan made before October 7, 1993, and (ii) my annual income is less than $30,000.

- Income-Sensitive Repayment Plan - If I choose this plan, my monthly payments will be adjusted annually, based on my expected total monthly gross income from all sources. I may call my lender at any time for more information about this repayment plan option.

- Income-Based Repayment Plan (effective July 1, 2008) - If I choose this plan, my required monthly payment amount will be based on my income during any period when I have a part-time financial hardship. My monthly payment amount may be adjusted annually. The maximum repayment period under this plan may exceed 25 years. I choose this plan and meet certain requirements over a 5-year period. I may qualify for cancellation of any outstanding balance on my loan. I may contact my lender at any time for more information about this repayment plan.

Under each plan, the number or amount of the payments may need to be adjusted to reflect capitalized interest and/or new loans made to me.

These repayment plans will be explained in more detail during my counseling session. I will not choose an income-sensitive repayment plan unless I have already been in a repayment plan for 5 years and have met certain requirements. I may choose an income-based repayment plan but do not provide the required documentation required by the lender. I will be required to repay the loan(s) under the schedule provided by the lender in accordance with the Act. I may be placed in a standard repayment plan at any time after 5 years, provided I meet the requirements of an income-based repayment plan.

There will be no penalty for prepaying any portion of my loan(s).

16. Sale or Transfer of Loan(s) - The lender may sell or otherwise transfer ownership or all or a portion of my loans without my consent. If ownership of a loan is transferred, the entity to which I must make payments changes. I will be notified of the entity's name, address and telephone number, the effective date of the sale or transfer, and the date when I must begin sending payments. I may transfer the right to offer subsequent loans under this MPN to another entity. I may terminate my loan(s) if I opt for an income-based plan under this MPN. The holder of my loan(s) can help me identify the lender that holds my MPN.

17. Loan Discharge - My loan(s) will be discharged if I can prove that I have died or permanently disabled. If I discharge my loan(s), I will be required to pay income taxes on the discharge amount. If I discharge my loan(s), I must pay income taxes on the discharge amount.

18. Consequences of Default - Default is defined in detail in my MPN. If I default, my entire unpaid balance and collection fees on the applicable loan(s) will become immediately due and payable. Failure to repay any loan made under this MPN may result in any or all of the following:

- Loss of federal and state income tax refunds,
- Loss of other federal or state payments,
- Legal action against me,
- Collection charges (including attorney fees) assessed against me,
- Denial or loss of a professional license,
- An increase in my interest rate,
- Loss of eligibility for other student aid and assistance under most federal benefit programs,
- Loss of eligibility for loan deferments,
- Negative credit reports to consumer reporting agencies,
- Assignment of my loan to the Department, and/or
- My employer withholding part of my wages to pay my guarantor or the Department (administrative wage garnishment).

19. Consumer Reporting Agency Notification - Information concerning the amount, disbursement, and repayment status (current or delinquent) of my loan(s) will be reported to my lender to national consumer reporting agencies on a regular basis. My loan(s) will be identified as an education loan(s). If I default on any loan(s) made under this MPN, the default will also be reported to the guarantor. If a guarantor is appointed by the guarantor, the information will be disclosed to the consumer reporting agencies unless the consumer requests a dispute in a repayment arrangement within 30 days of the date on the notice. The guarantor will give me the chance to dispute the accuracy or completeness of information received by the consumer. As appropriate, the guarantor, or as applicable, must provide a timely response to any request for information from consumer reporting agencies.
20. Special Repayment Arrangements—A Federal Consolidation Loan Program is available under which I may consolidate federal education loans received from different lenders, the same lender, and/or under different federal education loan programs into one loan. Depending on the amount borrowed, this program may result in an extension of my repayment period. Co-consolidation permits multiple debts to be combined into one monthly payment. For additional information, I should contact my lender or guarantor.

I may consolidate my FFELP loan(s) into the Direct Loan Program to take advantage of the public service loan forgiveness program. This program provides for the cancellation of the remaining balance due on eligible Direct Loan Program loans after I have made 120 payments (after October 1, 2007) on those loans under certain repayment plans while employed in certain public service jobs.

I may also consolidate my FFELP loans first disbursed on or after October 1, 2008 (including Federal Consolidation Loan that repay FFELP or Direct Loan Program loans first disbursed on or after October 1, 2008) into the Direct Loan Program to take advantage of the no accrual of interest benefit for active duty service members. No interest will be charged on the portion of my Direct Consolidation Loan that repays FFELP or Direct Loan Program loans first disbursed on or after October 1, 2008 during periods of qualifying active duty military service (up to 90 days).

The Act may provide for certain loan forgiveness or repayment benefits on my loans in addition to the benefits described in this IIF. If other forgiveness or repayment options become available, my lender will provide information about these benefits.

In addition, volunteers who complete duties in an approved national or community service project can earn an educational award. The award can be used to repay a Federal Stafford Loan. If I receive an educational award, I am responsible for providing my lender with information regarding the terms of service and the award.

Other agencies of the federal government may also offer student loan repayment programs to recruit and retain employees. I should contact the agency’s human resources department for more information.

Under certain circumstances, military personnel may have their federal education loans repaid by the Secretary of Defense. I should address any questions to the local service member. This is a recertifying program and does not pertain to prior service individuals or those not eligible for enlistment in the Armed Forces.

If I did not have an outstanding balance on a FFELP or Direct Loan Program loan on October 1, 1996, or if I did not have an outstanding balance on the date I obtained a loan (after October 1, 1996), I may be eligible for the Perkins Loan. The Perkins Loan will repay a fixed amount of my unsubsidized and unsubsidized Federal Stafford loans. If I have worked as a full-time teacher for five consecutive school years, and if I meet all other eligibility requirements under the Act, I may be eligible for the Perkins Loan if I have completed my service.

21. Delinquencies—Under certain circumstances, I have the right to defer (postpone) repayment. The types of deferments that are available to me generally depend on the loan or loans I received through the FFELP Loan Program. Upon request, my lender will provide me with information about the eligibility requirements for each deferment. If I am in default on a loan, I am not eligible for a deferment on that loan.

Deferral of repayment for loans made under this IIF is available while I am:
- Enrolled at least half-time at an eligible school.
- Engaged in a full-time course of study in an eligible fellowship program.
- Engaged in a full-time rehabilitation training program for individuals with disabilities (if the program is approved by the Department of Education).
- Serving in a federal service program (for up to three years).
- Experiencing an economic hardship as determined by federal law (for up to three years).
- Serving on active duty in a war or other military operation or service during a national emergency or during a period of war or other military operation or service in support of a national emergency and, if I was serving on or after October 1, 2007, for an additional 180-day period following the demobilization date for my qualifying service, or
- I am a member of the National Guard or other reserve component of the U.S. Armed Forces (if my service is verified by a federal service program, or if I was called to active duty while I am enrolled at least half-time at an eligible school for a period of at least 90 days, and if the deferment is available during the 180-day period following the completion of my active duty service, or if I am enrolled in a state or federal educational program).

For in-school deferments, my lender will process the deferment based on (i) my request along with documentation verifying my eligibility, or (ii) the lender's receipt of a school certification of eligibility in connection with a new loan, or (iii) the lender's receipt of student status information indicating that I am enrolled on at least a half-time basis. If my lender processes a deferment based on (i) or (ii), I will be notified of the deferment and will have the option of canceling the deferment and continuing to make payments on my loans.

For all other deferments, I must provide my lender with a deferment request (or, for a deferment based on active duty service during a war or other military operation or national emergency, a representative may request the deferment on my behalf). I must also provide information and documentation that establishes my eligibility, except in certain circumstances when my lender may establish my eligibility by confirming that I have received a deferment on another FFELP loan or on a Direct Loan.

NOTE: If at the time I obtain a loan under this IIF I have an outstanding balance on a FFELP loan discounted before July 1, 1985, information on deferment conditions that apply will be found in my loan promissory note materials.

22. Forbearance—If I am unable to make any scheduled loan payments, the lender may allow me to reduce or delay my payment amount, to extend the time for making payments, or to temporarily stop making payments for as long as I intend to receive my loan(s). Forbearance is available during a forbearance period.

The lender may grant me forbearance due to temporary or permanent economic hardship.

My lender is generally not required to grant the forbearances and may require me to provide my lender with written reasons for the request and other information.

The lender may grant me a forbearance to eliminate a delinquency that persists even though I am making scheduled installment payments. My lender may grant me an administrative forbearance for up to 60 days in order to collect and process documentation supporting my request for a deferment, to reenroll, to change an in-service period, or to disburse.

Circumstances that require my lender to grant me a forbearance include:
- Serving in a medical or dental internship or residency program, if I meet certain criteria.
- Serving in a federal service position for which I receive a federal service education award under the National and Community Service Trust Act of 1993.
- Serving in a national service position for which I receive a federal service education award under the Corporation for National and Community Service.
- Qualifying for partial repayment under the Staff Loan Repayment Program, as administered by the Department of Defense.
- Qualifying for loan forgiveness under the Perkins Loan Forgiveness Program, if I meet certain criteria (up to five years).

Repayment Information Follows
Repaying Your Loans

Follow these steps to estimate your loan payment.

### Step 1: Calculate Your Monthly Interest Charges

Round your Federal Stafford Loan balance up to the nearest $500. If your loan amount is not on the table, follow the example below to estimate your monthly accrued interest.

**Example:**
Federal Stafford Loan of $5,479 at 6.8% interest.
Round up to nearest $500 = $5,500.

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>5.80%</th>
<th>6.00%</th>
<th>6.00%</th>
<th>4.00%</th>
<th>3.40%</th>
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<td>$ 10.00</td>
<td>$ 8.50</td>
</tr>
<tr>
<td>$ 5,000</td>
<td>$ 26.53</td>
<td>$ 25.00</td>
<td>$ 20.83</td>
<td>$ 16.67</td>
<td>$ 14.17</td>
</tr>
<tr>
<td>+ 500 = 2.83/month</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ 6,000</td>
<td>$ 34.00</td>
<td>$ 30.00</td>
<td>$ 25.00</td>
<td>$ 20.00</td>
<td>$ 17.00</td>
</tr>
<tr>
<td>$ 7,000</td>
<td>$ 39.67</td>
<td>$ 35.00</td>
<td>$ 29.17</td>
<td>$ 23.33</td>
<td>$ 19.83</td>
</tr>
<tr>
<td>$ 9,000</td>
<td>$ 51.00</td>
<td>$ 45.00</td>
<td>$ 37.50</td>
<td>$ 30.00</td>
<td>$ 25.50</td>
</tr>
<tr>
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<td>$ 56.67</td>
<td>$ 50.00</td>
<td>$ 41.67</td>
<td>$ 33.34</td>
<td>$ 28.34</td>
</tr>
<tr>
<td>$ 15,000</td>
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<td>$ 75.00</td>
<td>$ 62.50</td>
<td>$ 50.00</td>
<td>$ 42.50</td>
</tr>
<tr>
<td>$ 20,000</td>
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<td>$100.00</td>
<td>$ 83.33</td>
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<td>$ 56.67</td>
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<tr>
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<td>$141.67</td>
<td>$125.00</td>
<td>$104.17</td>
<td>$ 83.33</td>
<td>$ 70.83</td>
</tr>
</tbody>
</table>

Your monthly interest: $______________

### Step 2: Estimate Your Capitalized Interest

Complete this step only if you will not pay accrued interest for which you are responsible on a Federal Stafford Loan. This is an estimate only. Actual interest capitalized will depend on factors such as disbursement dates, number of disbursements, and the frequency of capitalization.

Example:
Your capitalized interest: $__________

### Step 3: Estimate Your Monthly Payment

Round your loan balance up to the nearest $500. If your principal amount is not on the table, follow the example below to estimate your monthly payment. If you previously had interest capitalized, add it to the outstanding loan amount to get the new principal amount.

**Example:**
Federal Stafford Loan of $6,185.52 ($5,500 + $655.52) at 6.8% interest.
Round up to nearest $500 = $6,500.

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>6.80%</th>
<th>6.00%</th>
<th>5.00%</th>
<th>4.00%</th>
<th>3.40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 500</td>
<td>$ 5.75</td>
<td>$ 5.55</td>
<td>$ 5.30</td>
<td>$ 5.05</td>
<td>$ 4.92</td>
</tr>
<tr>
<td>$ 1,000</td>
<td>$11.51</td>
<td>$11.10</td>
<td>$10.61</td>
<td>$10.12</td>
<td>$ 9.84</td>
</tr>
<tr>
<td>$ 3,000</td>
<td>$34.52</td>
<td>$33.33</td>
<td>$31.82</td>
<td>$30.37</td>
<td>$29.53</td>
</tr>
<tr>
<td>$ 5,000</td>
<td>$57.54</td>
<td>$55.51</td>
<td>$53.03</td>
<td>$50.61</td>
<td>$49.21</td>
</tr>
<tr>
<td>$ 6,000</td>
<td>$65.67</td>
<td>$63.84</td>
<td>$60.75</td>
<td>$59.05</td>
<td>$59.05</td>
</tr>
<tr>
<td>+ 500 = 5.75/month</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ 6,500</td>
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<td>$67.71</td>
<td>$74.25</td>
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<tr>
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<td>$95.46</td>
<td>$91.12</td>
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<td>$111.02</td>
<td>$106.67</td>
<td>$101.25</td>
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<tr>
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<td>$222.04</td>
<td>$212.13</td>
<td>$202.49</td>
<td>$196.84</td>
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<tr>
<td>$25,000</td>
<td>$267.70</td>
<td>$277.55</td>
<td>$285.16</td>
<td>$273.11</td>
<td>$266.05</td>
</tr>
</tbody>
</table>

Note: Minimum monthly payment = $50 or amount of interest accruing each month.

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Estimate of Capitalized Interest (From Step Two)</th>
<th>New Principal Balance</th>
<th>Estimated Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 5,500</td>
<td>$ 655.52</td>
<td>$ 6,185.52</td>
<td>$ 74.60</td>
</tr>
</tbody>
</table>

Your Monthly Payment: $__________ + $__________ = $__________ $__________