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**Lewis & Clark College**0615 S.W. Palatine Hill Road  
Portland, Oregon 97219-7899**Office of Financial Aid**Phone: 503-768-7090 Fax: 503-768-7074  
Web: [go.lclark.edu/fao](http://go.lclark.edu/fao) E-Mail: [fao@lclark.edu](mailto:fao@lclark.edu)

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NAME  
ADDRESS  
CITY, STATE, ZIPNovember 29, 2016  
Undergraduate  
ID**2017-18 AWARD NOTIFICATION**

Based upon the information provided to the Office of Financial Aid and eligibility criteria for available aid programs, we are able to offer you assistance as shown below. Please refer to the Financial Aid Guide on our website for important information about the steps you need to take to process the aid offered and how it will be disbursed.

	<u>Summer</u>	<u>Fall</u>	<u>Spring</u>	<u>TOTAL</u>
Federal Pell Grant		1,083	1,082	2,165
Federal SEOG Grant		500	500	1,000
Faculty Scholarship		8,000	8,000	16,000
Outreach Scholarship		9,415	9,415	18,830
Lewis & Clark Endowed Scholarship		750	750	1,500
Lewis & Clark Grant		6,219	6,219	12,438
Federal Direct Subsidized Loan		1,750	1,750	3,500
Federal Direct Unsubsidized Loan		1,000	1,000	2,000
<b>TOTAL</b>		<b>\$28,717</b>	<b>\$28,716</b>	<b>\$57,433</b>

The following 2017-18 estimated cost of attendance budget was used to determine your eligibility for financial aid:

Tuition and Fees	46,894
Living Allowance	11,540
Books & Supplies	1,050
Personal and Transportation	2,052
<b>TOTAL</b>	<b>\$61,536</b>

In addition to the assistance referenced above, you demonstrate eligibility to seek employment through the Federal Work-Study (FWS) program and may earn up to \$2,500.00. This eligibility is not a guarantee of employment. You must seek, apply for, and work at an FWS job to receive funds. FWS earnings are paid monthly for hours worked.

If you have any questions, do not hesitate to contact us at [fao@lclark.edu](mailto:fao@lclark.edu) or (503) 768-7090. We are available Monday through Friday between the hours of 8:30AM to 4:00PM.

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

**1. General Information.** You are receiving a Direct Subsidized Loan and/or Direct Unsubsidized Loan to help cover the costs of your education. This Plain Language Disclosure (Disclosure) summarizes information about your loan. Please read this Disclosure carefully and keep a copy in a safe place. In this Disclosure, the words “we,” “us,” and “our” refer to the U.S. Department of Education (the Department).

We may use a servicer to handle billing and other communications related to your loan. If you have questions about your loan, contact your servicer. Your servicer’s telephone number and address are shown on correspondence you will receive related to your loan.

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

By signing the Master Promissory Note, you certified under penalty of perjury that if you have been convicted of, or if you have pled *nolo contendere* (no contest) or guilty to, a crime involving fraud in obtaining federal student aid funds under Title IV of the Higher Education Act of 1965, as amended, you have fully repaid those funds to us, or to the loan holder in the case of a Title IV federal student loan.

Information about your loans will be reported to the National Student Loan Data System (NSLDS). Information in NSLDS is accessible to schools, lenders, and guarantors for specific authorized purposes.

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

**3. Loan terms and conditions.** This Disclosure summarizes information about your loan. Please refer to your MPN and the Borrower’s Rights and Responsibilities Statement that you received previously for the complete terms and conditions of your loan. If you need another copy of the Borrower’s Rights and Responsibilities Statement, contact your servicer. Unless we tell you otherwise in this Disclosure, your MPN and the Borrower’s Rights and Responsibilities Statement control the terms and conditions of your loan. Loans made under your MPN are subject to the Higher Education Act of 1965, as amended (the HEA), and federal regulations (we refer to the HEA and these regulations as “the Act”). Any change to the Act that affects the terms of the MPN that you signed will be applied to your loans in accordance with the effective date of the change.

**4. Direct Subsidized Loans and Direct Unsubsidized Loans.** Direct Subsidized Loans are available only to undergraduate students. (Graduate and professional students were eligible to receive Direct Subsidized Loans for periods of enrollment that began before July 1, 2012.) Direct Unsubsidized Loans are available to both undergraduate students and graduate or professional students.

To receive a Direct Subsidized Loan, you must have financial need. Except as explained in Item 10 of this Disclosure, you are not required to pay the interest that accrues on Direct Subsidized Loans while you are in school, during the grace period, during deferment periods, and during certain periods of repayment under the Income-Based Repayment Plan and the Pay As You Earn Plan.

Direct Unsubsidized Loans are not based on financial need. You must pay the interest that accrues on Direct Unsubsidized Loans during all periods. For more information on interest charges, see Item 10.

**5. Time limitation on Direct Subsidized Loan eligibility for first-time borrowers on or after July 1, 2013.** If you are a first-time borrower (see the Borrower’s Rights and Responsibilities Statement that you received previously) on or after July 1, 2013, there is a limit on the maximum period of time (measured in academic years) that you can receive Direct Subsidized Loans.

In general, if you are a first-time borrower on or after July 1, 2013 you may not receive Direct Subsidized Loans for more than 150% of the published

length of your program of study. This is called your “maximum eligibility period.” For example, if you are enrolled in a 4-year bachelor’s degree program, the maximum period for which you can receive Direct Subsidized Loans is 6 years (150% of 4 years = 6 years).

Your maximum eligibility period is based on the published length of the program in which you are currently enrolled. This means that your maximum eligibility period can change if you change programs. If you receive Direct Subsidized Loans for one program and then change to a different program, the period of time for which you received Direct Subsidized Loans for the earlier program will generally count against your new maximum eligibility period.

After you have received Direct Subsidized Loans for your maximum eligibility period, you are no longer eligible to receive additional Direct Subsidized Loans, and if you are enrolled in school you may become responsible for paying interest on your Direct Subsidized Loans. You may continue to receive Direct Unsubsidized Loans. We will notify you if you are no longer eligible to receive additional Direct Subsidized Loans.

In addition, if you continue to be enrolled in any undergraduate program after you have received Direct Subsidized Loans for your maximum eligibility period, or if you enroll in another undergraduate program that is the same length as or shorter than your previous program, in most cases (there are certain exceptions as provided under the Act) you will become responsible for paying the interest that accrues on your Direct Subsidized Loans during all periods, beginning on the date of the enrollment that causes you to become responsible for paying the interest. We will notify you if you become responsible for paying all of the interest that accrues on your Direct Subsidized Loans.

You may obtain additional information about the limitation on Direct Subsidized Loan eligibility for first-time borrowers on or after July 1, 2013 from your school’s financial aid office or at [StudentAid.gov](http://StudentAid.gov).

**6. Use of loan money.** You may use your loan money only to pay for educational expenses (for example, tuition, room, board, books) at the school that determined you were eligible to receive the loan. If you accept this loan, your eligibility for other student assistance may be affected.

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

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

**8. Amount you may borrow.** There are limits on the amount you may borrow each academic year (annual loan limits) and the amount you may borrow in total for undergraduate and graduate study (aggregate loan limits), as explained in more detail in the Borrower’s Rights and Responsibilities Statement. You cannot borrow more than these limits. The annual and aggregate loan limits are as follows:

<b>Annual Loan Limits</b>	
<b>Dependent Undergraduates</b> (except students whose parents cannot borrow Direct PLUS Loans)	
First Year (freshman)	\$5,500 (maximum \$3,500 subsidized)
Second Year (sophomore)	\$6,500 (maximum \$4,500 subsidized)
Third Year (Junior) & Beyond	\$7,500 (maximum \$5,500 subsidized)
<b>Independent Undergraduates</b> (and dependent students whose parents cannot borrow Direct PLUS Loans)	
First Year (freshman)	\$9,500 (maximum \$3,500 subsidized)
Second Year (sophomore)	\$10,500 (maximum \$4,500 subsidized)
Third Year (Junior) & Beyond	\$12,500 (maximum \$5,500 subsidized)

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Graduate and Professional Students	
For loan periods beginning before July 1, 2012	\$20,500 (maximum \$8,500 subsidized)
For loan periods beginning on or after July 1, 2012	\$20,500 (unsubsidized only)

**Aggregate Loan Limits**

Dependent Undergraduates (except students whose parents cannot borrow Direct PLUS Loans)	\$31,000 (maximum \$23,000 subsidized)
Independent Undergraduates (and dependent students whose parents cannot borrow Direct PLUS Loans)	\$57,500 (maximum \$23,000 subsidized)
Graduate and Professional Students	\$138,500 (maximum \$65,500 subsidized)

**9. Interest rate.** The interest rate for Direct Subsidized Loans and Direct Unsubsidized Loans varies depending on when the loan is first disbursed and other factors, as explained below. Different loans that you received under the same MPN may have different interest rates. We will notify you of the interest rate for each loan you receive in a disclosure statement that we send to you.

If you qualify under the Servicemembers Civil Relief Act, the interest rate on your loans obtained prior to military service may be limited to 6% during your military service. Contact your servicer for information about how to request this benefit.

**Direct Subsidized Loans and Direct Unsubsidized Loans first disbursed on or after July 1, 2013**

Loans first disbursed on or after July 1, 2013 have a fixed rate that is calculated in accordance with a formula specified in the Act. The interest rate is calculated each year. When the rate is calculated, it applies to all Direct Subsidized Loans and Direct Unsubsidized Loans for which the first disbursement is made during the period beginning on July 1 of one year and ending on June 30 of the following year. Different fixed interest rates may apply to separate loans made under an MPN depending on when the loan is first disbursed, and whether you are an undergraduate student or a graduate or professional student. The maximum interest rate for Direct Subsidized Loans and Direct Unsubsidized Loans made to undergraduate students is 8.25%. The maximum interest rate for Direct Unsubsidized Loans made to graduate or professional students is 9.5%.

**Direct Subsidized Loans and Direct Unsubsidized Loans first disbursed on or after July 1, 2006 and before July 1, 2013**

Direct Subsidized Loans first disbursed on or after July 1, 2006 and before July 1, 2013 have different fixed interest rates that range from 3.4% to 6.8%, depending on when the loan was first disbursed, and whether you received the loan as an undergraduate or graduate student.

All Direct Unsubsidized Loans first disbursed during on or after July 1, 2006 and before July 1, 2013 have a fixed interest rate of 6.8%.

**Direct Subsidized Loans and Direct Unsubsidized Loans first disbursed before July 1, 2006**

Loans first disbursed before July 1, 2006 have a variable interest rate that is adjusted each year on July 1 but will never be more than 8.25%. Some variable interest rate loans have an interest rate that is lower during in-school, grace, and deferment periods, and higher during repayment and forbearance periods. For loans with a variable interest rate, we will notify you annually of the actual interest rate for each loan that you receive.

**10. Payment of interest.** In general (see Note below for exceptions), you are not required to pay the interest that accrues on Direct Subsidized Loans while you are enrolled in school at least half time, during your grace period, during deferment periods, and during certain periods of repayment under the Income-Based Repayment Plan and the Pay As You Earn Plan. Except as explained below for certain borrowers who are active duty service members, you must pay the interest that accrues on Direct Subsidized Loans during all other periods (starting on the day after your grace period ends), including forbearance periods.

**Note:** You must pay the interest that accrues during the grace period on any Direct Subsidized Loan for which the first disbursement is made on or after July 1, 2012 and before July 1, 2014. In addition, if you are a first-time

borrower on or after July 1, 2013, under certain conditions you must pay the interest that accrues on your Direct Subsidized Loans during all periods, as explained in Item 5 of this Disclosure.

Except as provided below for certain borrowers who are active duty service members, you must pay the interest that accrues on Direct Unsubsidized Loans during all periods (starting on the day your loan is paid out). This includes periods while you are enrolled in school, during your grace period, and during deferment and forbearance periods. Therefore, you will pay more interest on Direct Unsubsidized Loans than on Direct Subsidized Loans.

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

Under the no accrual of interest benefit for active duty service members, you are not required to pay the interest that accrues on any type of Direct Loan Program loan first disbursed on or after October 1, 2008 during periods of qualifying active duty military service (for up to 60 months).

**11. Loan fee.** For each Direct Subsidized Loan or Direct Unsubsidized Loan you receive, we charge a loan fee that is a percentage of the principal amount of the loan. This fee will be subtracted proportionately from each disbursement of your loan and will be shown on a disclosure statement that we send to you.

**12. Repayment incentive programs.** A repayment incentive is a benefit we offer to encourage you to repay your loan on time. Under a repayment incentive program, the interest rate we charge on your loan may be reduced. The following repayment incentive program may be available to you: *Interest Rate Reduction for Automatic Withdrawal of Payments*. This repayment incentive program is described in the Borrower's Rights and Responsibilities Statement. Contact your loan servicer for more information.

**13. Disbursement of loan money.** Generally, your school will disburse (pay out) your loan money in more than one installment, usually at the beginning of each academic term (for example, at the beginning of each semester or quarter). If your school does not use academic terms or does not have academic terms that meet certain requirements, it will generally disburse your loan in at least two installments, one at the beginning of the period of study for which you are receiving the loan and one at the midpoint of that period of study. Your school may disburse your loan money by crediting it to your student account, or may give it to you directly by check or other means.

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

- **You may notify your school (within certain timeframes).** If your school obtains your written confirmation of the types and amounts of Title IV loans that you want to receive for an award year before crediting loan money to your account at the school, you may tell the school that you want to cancel all or part of that loan within 14 days after the date the school notifies you of your right to cancel all or part of the loan, or by the first day of your school's payment period, whichever is later (your school can tell you the first day of the payment period).

If your school does not obtain your written confirmation of the types and amounts of loans you want to receive before crediting the loan money to your account, you may cancel all or part of that loan by informing the school within 30 days of the date the school notifies you of your right to cancel all or part of the loan.

If you ask your school to cancel all or part of your loan within the timeframes described above, your school will return the cancelled loan amount to us. If you ask your school to cancel all or part of your loan outside the timeframes described above, your school may process your cancellation request, but it is not required to do so.

- **You may return all or part of your loan to us.** Within 120 days of the date your school disbursed your loan money (by crediting the loan money to your account at the school, by paying it directly to you, or both), you may cancel all or part of your loan by returning all or part of the loan money to us. Contact your servicer for guidance on how and where to return your loan money.

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You do not have to pay interest or the loan fee on the part of your loan that is cancelled or returned within the timeframes described above. We will adjust your loan amount to eliminate any interest and loan fee that applies to the amount of the loan that was cancelled or returned.

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

**16. Repaying your loan.** You must repay each loan that you receive according to the repayment schedule provided by your servicer. You must begin repaying your loan after your grace period ends. The amount of time you have to repay your loan (the repayment period) will vary from 10 to 25 years, depending on the repayment plan that you choose and the total amount you have borrowed. If your loan has a variable interest rate, we may need to adjust the number or amount of your payments to reflect changes in the interest rate.

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

You may choose one of the following repayment plans:

**Standard Repayment Plan**

You will make fixed monthly payments and repay your loan within 10 years (not including periods of deferment or forbearance) from the date the loan entered repayment. Your payments must be at least \$50 per month (\$600 per year) and will be more, if necessary, to repay the loan within the required time period.

**Graduated Repayment Plan**

Your payments will usually be lower at first, and will then increase over time. You must repay your loan in full within 10 years (not including periods of deferment and forbearance) from the date the loan entered repayment. Your monthly payment must at least be equal to the amount of interest that accrues each month. No single payment will be more than 3 times greater than any other payment.

**Extended Repayment Plan**

You may choose this plan only if (i) you had no outstanding balance on a Direct Loan Program loan as of October 7, 1998 or on the date you obtained a Direct Loan Program loan on or after October 7, 1998, and (ii) you have an outstanding balance on Direct Loan Program loans that exceeds \$30,000. You may choose to make fixed monthly payments or graduated monthly payments that start out lower and gradually increase over time, and will repay your loan in full over a period not to exceed 25 years (not including periods of deferment and forbearance) from the date your loan entered repayment. If you make fixed monthly payments, your payments must be at least \$50 per month (\$600 per year) and will be more, if necessary, to repay the loan within the required time period. If you make graduated payments, your monthly payment must at least be equal to the amount of interest that accrues each month. No single payment under the graduated option will be more than three times greater than any other payment.

**Income-Based Repayment Plan (IBR Plan)**

Under this Plan, your monthly payment amount is generally 15% (10% if you are a new borrower; see Note below) of your annual discretionary income, divided by 12. Discretionary income for this plan is the difference between your adjusted gross income and 150% of the poverty guideline amount for your state of residence and family size.

To initially qualify for the IBR Plan and to continue to make payments based on your income, the amount you would be required to pay on your eligible student loans under the IBR Plan must be less than the amount you would have to pay under the Standard Repayment Plan.

If you are married and file a joint federal income tax return, the loan amount used to determine if you initially qualify for the IBR Plan will include your eligible loans and your spouse's eligible loans, and the income used to determine your IBR Plan payment amount will be the combined adjusted gross income of you and your spouse.

While you are repaying under the IBR Plan, you must annually provide documentation of your income and certify your family size. Your monthly payment amount may be adjusted annually based on the updated income and family size information that you provide.

Under the IBR Plan, if your loan is not repaid in full after you have made the equivalent of 25 years (20 years if you are a new borrower) of qualifying monthly payments and at least 25 years (20 years if you are a new borrower) have elapsed, any remaining loan amount will be forgiven. You may have to pay federal income tax on the loan amount that is forgiven. Your servicer can provide more information about the IBR Plan.

**Note:** You are a new borrower for the IBR Plan if you have no outstanding balance on a Direct Loan Program or Federal Family Education Loan (FFEL) Program loan on July 1, 2014, or if you have no outstanding balance on a Direct Loan Program or FFEL Program loan on the date you obtain a Direct Loan Program loan after July 1, 2014. Your servicer will determine whether you are a new borrower based on the information about your loans in NSLDS.

**Pay As You Earn Repayment Plan (Pay As You Earn Plan)**

Under this plan, your monthly payment amount is generally 10% of your annual discretionary income, divided by 12. Discretionary income for this plan is the difference between your adjusted gross income and 150% of the poverty guideline amount for your state of residence and family size. The Pay As You Earn Plan is available only to new borrowers. You are a new borrower for the Pay As You Earn Plan if:

(1) You had no outstanding balance on a Direct Loan Program or FFEL Program loan as of October 1, 2007, or you have no outstanding balance on a Direct Loan Program or FFEL Program loan when you obtain a new loan on or after October 1, 2007, and

(2) You receive a disbursement of a Direct Subsidized Loan, Direct Unsubsidized Loan, or student Direct PLUS Loan (a Direct PLUS Loan made to a graduate or professional student) on or after October 1, 2011, or you receive a Direct Consolidation Loan based on an application received on or after October 1, 2011.

In addition to being a new borrower, to initially qualify for the Pay As You Earn Plan and to continue to make payments that are based on your income, the amount you would be required to pay on your eligible student loans under the Pay As You Earn Plan must be less than the amount you would have to pay under the Standard Repayment Plan.

If you are married and file a joint federal income tax return, the loan amount used to determine if you initially qualify for the Pay As You Earn Plan will include your eligible loans and your spouse's eligible loans, and the income used to determine your Pay As You Earn Plan payment amount will be the combined adjusted gross income of you and your spouse.

While you are repaying under the Pay As You Earn Plan, you must annually provide documentation of your income and certify your family size. Your monthly payment amount may be adjusted annually based on the updated income and family size information that you provide.

Under the Pay As You Earn Plan, if your loan is not repaid in full after you have made the equivalent of 20 years of qualifying monthly payments and at least 20 years have elapsed, any remaining loan amount will be forgiven. You may have to pay federal income tax on the loan amount that is forgiven. Your servicer can provide more information about the Pay As You Earn Plan.

**Income Contingent Repayment Plan (ICR Plan)**

Under this plan, your monthly payment amount will be either 20% of your discretionary income or a percentage of what you would repay under a Standard Repayment Plan with a 12-year repayment period, whichever is less. Discretionary income for this plan is the difference between your adjusted gross income and the poverty guideline amount for your state of residence and family size. If you are married and file a joint federal income tax return, the income used to determine your ICR Plan payment amount will be the combined adjusted gross income of you and your spouse. Until we obtain the information needed to calculate your monthly payment amount, your payment will equal the amount of interest that accrues monthly on your loan unless you request a forbearance.

While you are repaying under the ICR Plan, you must annually provide documentation of your income and certify your family size. Your monthly

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payment amount may be adjusted annually based on the updated income and family size information that you provide.

Under the ICR Plan, if your loan is not repaid in full after you have made the equivalent of 25 years of qualifying monthly payments and at least 25 years have elapsed, any remaining loan amount will be forgiven. You may have to pay federal income tax on the loan amount that is forgiven. Your servicer can provide more information about the ICR Plan.

**17. Transfer of loan.** We may transfer one or all of your loans to another servicer without your consent. If there is a change in the address to which you must send payments or direct communications, you will be notified of the new servicer's name, address, and telephone number, the effective date of the transfer, and the date when you must begin sending payments or directing communications to that servicer. Transfer of a loan to a different servicer does not affect your rights and responsibilities under that loan.

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

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

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

If you default on your loan, we will report your default to nationwide consumer reporting agencies (see Item 21). We may sue you, take all or part of your federal tax refund, and/or garnish your wages so that your employer is required to send us part of your salary to pay off your loan. We will require you to pay reasonable collection fees and costs, plus court costs and attorney fees. You will lose eligibility for other federal student aid and assistance under most federal benefit programs. You will lose eligibility for loan deferments.

**21. Consumer reporting agency notification.** We will report information about your loan to nationwide consumer reporting agencies (commonly known as "credit bureaus"). This information will include the disbursement dates, amount, and repayment status of your loan (for example, whether you are current or delinquent in making payments). Your loan will be identified as an education loan.

**22. Deferment and forbearance (postponing payments).** If you meet certain requirements, you may receive a **deferment** that allows you to temporarily stop making payments on your loan. For example:

- You may receive a deferment while you are attending an eligible school at least half-time, or for up to 3 years while you are unemployed or experiencing an economic hardship.
- You may receive a deferment while you are 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 were serving on or after October 1, 2007, for an additional 180-day period following the demobilization date for your qualifying service.
- If you are a member of the National Guard or other reserve component of the U.S. Armed Forces (current or retired) and you are called or ordered to active duty while enrolled at least half-time at an eligible school, or within 6 months after having been enrolled at least half-time, you are eligible for a deferment during the 13 months following the conclusion of your active duty service, or until the date you return to enrolled student status on at least a half-time basis, whichever is earlier.

This is not a complete list of available deferments. For a complete list, refer to the Borrower's Rights and Responsibilities Statement that you received previously.

You are not required to pay interest on Direct Subsidized Loans during deferment periods; except as explained in Item 10 of this Disclosure. However, you are responsible for paying the interest on Direct Unsubsidized Loans during deferment periods.

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

To request a deferment or forbearance, contact your servicer.

**23. Loan discharge.** We may discharge (forgive) all or part of your loan if (i) you die, and we receive acceptable documentation of your death; (ii) you become totally and permanently disabled and meet certain other requirements; (iii) your loan is discharged in bankruptcy after you have proven to the bankruptcy court that repaying the loan would cause undue hardship; (iv) you were unable to complete your course of study because your school closed; (v) your school falsely certified your eligibility; (vi) your school did not pay a refund of your loan money that it was required to pay under federal regulations; or (vii) a loan in your name was falsely certified as a result of a crime of identity theft.

We may forgive a portion of any loans you received under the Direct Loan or FFEL program after October 1, 1998 if you teach full-time for 5 consecutive years in certain low-income elementary or secondary schools, or for certain low-income educational service agencies, and meet certain other qualifications. In addition, you must not have owed a Direct Loan or FFEL program loan as of October 1, 1998, or as of the date you obtain a loan after October 1, 1998. Contact your servicer for specific eligibility requirements.

A Public Service Loan Forgiveness program is also available. Under this program, we will forgive the remaining balance due on your eligible Direct Loan Program loans after you have made 120 payments on those loans (after October 1, 2007) under certain repayment plans while you are employed full-time in certain public service jobs.

For a discharge based on your death, a family member must contact your loan servicer. To request any other type of loan discharge (except for a discharge based on bankruptcy), you must complete a discharge application. Your servicer can tell you how to obtain an application.

The Act may provide for certain loan forgiveness or repayment benefits on your loan in addition to the benefits described above. If other forgiveness or repayment options become available, your servicer will provide information about these benefits.

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

**24. Loan consolidation.** You may consolidate (combine) one or more of your eligible federal education loans into a new loan with a single monthly payment. Consolidation may also allow you to extend the period of time that you have to repay your loans. This may make it easier for you to repay your loans. However, you will likely pay more interest if you extend your repayment period through consolidation, since you will be making payments for a longer period of time. Contact your servicer for more information about loan consolidation.

# Direct Loans

William D. Ford Federal Direct Loan Program

U.S. Department of Education  
P.O. Box 9003  
Niagara Falls, NY 14302-9003

## Disclosure Statement William D. Ford Federal Direct Loan Program

Direct Subsidized Loan  
Direct Unsubsidized Loan

### Borrower Information

#### 1. Name and Address

Doe, John  
900 State Street  
SALEM, OR 97301

#### 2. Date of Disclosure Statement

07/20/2016

#### 3. Area Code/Telephone Number

5035550751

### School Information

#### 4. School Name and Address

WILLAMETTE UNIVERSITY  
900 STATE STREET  
SALEM, OR 97301

#### 5. School Code/Branch

G03227

### Loan Information

#### 6. Loan Identification Number(s)

XXXXXXXXXXS17G03227001  
XXXXXXXXXXU17G03227001

#### 7. Loan Period(s)

08/29/2016 – 05/12/2017  
08/29/2016 – 05/12/2017

#### 8. Loan Fee %

1.068  
1.068

#### 9. Subsidized Eligibility Type

Undergraduate

#### 10. Subsidized Usage

1.0

#### 11. Total Subsidized Usage

2.0

#### 12. Remaining Subsidized Eligibility

4.0

The information provided is anticipated—based on loans that your school plans to disburse to you—and is subject to change based on your future enrollment and borrowing practices.

### 13. Information about the loan(s) that your school plans to disburse (pay out) follows. This information is explained in detail on the back. The actual disbursement dates and amounts may be different than the dates and amounts shown below. The school and your servicer will notify you of the actual disbursement dates and amounts.

Direct Subsidized Loan	Gross Loan Amount	-	Loan Fee Amount	+	Interest Rebate Amount	=	Net Loan Amount
	\$4,161.00	-	\$44.00	+	\$0.00	=	\$4,117.00

#### Your school plans to disburse the Net Loan Amount as follows:

Date	Net Disbursement Amount	Date	Net Disbursement Amount
08/19/2016	\$ 2,059.00		
01/06/2017	\$ 2,058.00		

Direct Unsubsidized Loan	Gross Loan Amount	-	Loan Fee Amount	+	Interest Rebate Amount	=	Net Loan Amount
	\$2,339.00	-	\$24.00	+	\$0.00	=	\$2,315.00

#### Your school plans to disburse the Net Loan Amount as follows:

Date	Net Disbursement Amount	Date	Net Disbursement Amount
08/19/2016	\$ 1,158.00		
01/06/2017	\$ 1,157.00		

If there are further disbursements to be made on the loan(s) the school will inform you.

## Disclosure Statement (continued)

This Disclosure Statement provides information about the Direct Subsidized Loan and/or Direct Unsubsidized Loan that your school plans to disburse (pay out) by crediting your account at the school, paying you directly, or both. It replaces any Disclosure Statements that you may have received previously for the same loan(s). Keep this Disclosure statement for your records.

Your school will tell you what loans, if any, you are eligible to receive. If you have questions regarding your loan eligibility, the next steps in the processing of your loan, when the loan will be disbursed (paid out), or no longer wish to receive the loan, contact your school's financial aid office.

Before any money is disbursed, you must have a signed Direct Subsidized Loan/Direct Unsubsidized Loan Master Promissory Note (MPN) on file. The MPN, the Borrower's Rights and Responsibilities statement, and the Plain Language Disclosure explain the terms of your loan(s). If you have any questions about your MPN or this Disclosure Statement, contact your school.

If you receive your first federal student loan after June 30, 2013, there are limits on how long you can receive Direct Subsidized Loans. In general, you may not receive Direct Subsidized Loans for more than 150% of the published length of your program (measured in academic years). This is called your "maximum eligibility period". Items 9-12 on the front of this Disclosure Statement provide:

- **Item 9:** The Subsidized Eligibility Type, tracked as either Undergraduate Program or Non-Credential Teacher Certification Program.
- **Item 10:** The Subsidized Usage Period associated with the Direct Subsidized Loan, if any, you are receiving.
- **Item 11:** The Total Subsidized Usage to this point in time, including the Subsidized Usage Period from Item 10.
- **Item 12:** The Remaining Subsidized Eligibility for the program associated with the Direct Subsidized Loan, if any, you are receiving.

**Item 13** on the front of this Disclosure Statement provides the following information about the amount of each loan that your school plans to disburse to you:

- **Gross Loan Amount** - This is the total amount of the loan that you are borrowing. You will be responsible for repaying this amount.
- **Loan Fee Amount** - This is the amount of the fee that is charged on your loan. It is based on a percentage of your Gross Loan Amount. The percentage is shown in item 8. The Loan Fee Amount will be subtracted from your Gross Loan Amount.
- **Interest Rebate Amount** - This is the amount of an up-front interest rebate that you may receive to encourage the timely repayment of your Direct Loans. If you receive a rebate, the Interest Rebate Amount will be added back after the Loan Fee Amount is subtracted.

To keep an up-front interest rebate that you receive on your loan, you must make all of your first 12 required monthly payments on time (each of your payments must be received no later than 6 days after the due date) when your loan enters repayment. You will lose the rebate if you do not make all of your first 12 required monthly payments on time. This will increase the amount that you must repay.

- **Net Loan Amount** - This is the amount of your loan that remains after the Loan Fee Amount is subtracted and the Interest Rebate Amount is added. The school will disburse the Net Loan Amount to you by crediting your account at the school, paying you directly, or both.

Item 13 shows your school's plan for disbursing your Net Loan Amount to you. The actual disbursement dates and amounts may be different than the dates and amounts that are shown. Your school and your servicer will notify you of the actual disbursement dates and amounts.

Before your loan money is disbursed, you may cancel all or part of your loan(s) at any time by notifying your school.

After your loan money is disbursed, there are two ways to cancel all or part of your loan(s):

- If your school obtains your written confirmation of the types and amounts of Title IV loans that you want to receive for an award year before crediting loan money to your account at the school, you may tell the school that you want to cancel all or part of the loan within 14 days after the date the school notifies you of your right to cancel all or part of the loan, or by the first day of the school's payment period, whichever is later (the school can tell you the first day of the payment period). If your school does not obtain your written confirmation of the types and amounts of loans you want to receive before crediting the loan money to your account, you may cancel all or part of the loan by informing the school within 30 days of the date the school notifies you of your right to cancel all or part of the loan. In either case, the school will return the cancelled loan amount to the U.S. Department of Education.

If you ask your school to cancel all or part of your loan(s) outside the timeframes described above, your school may process your cancellation request, but it is not required to do so.

- Within 120 days of the date your school disburses your loan money (by crediting the loan money to your account at the school, by paying it directly to you, or both), you may return all or part of your loan(s) to the U.S. Department of Education. Contact your servicer for guidance on how and where to return your loan money.

You do not have to pay interest or the loan fee on the part of your loan that is cancelled or returned within the timeframes described above, and if you received an up-front interest rebate, the rebate does not apply. Your loan will be adjusted to eliminate any interest, loan fee, and rebate amount that applies to the amount of the loan that is cancelled or returned.

After the first disbursement of your loan has been made, your loan will be assigned to a loan servicer and you will receive the servicer's name, address and contact information. Your servicer will service, answer questions about, and process payments on your loan after you enter repayment.

To view the list of servicers and their contact information, visit [StudentLoans.gov](http://StudentLoans.gov) and select the "Additional Information" link on the "Contact Us" page.

## DL Exit Counseling—Required Elements

34 CFR 685.304(b)(4)

Exit counseling must:

- (i) Inform the student borrower of the average anticipated monthly repayment amount based on the student borrower's indebtedness or on the average indebtedness of student borrowers who have obtained Direct Subsidized Loans and Direct Unsubsidized Loans, student borrowers who have obtained only Direct PLUS Loans, or student borrowers who have obtained Direct Subsidized, Direct Unsubsidized, and Direct PLUS Loans, depending on the types of loans the student borrower has obtained, for attendance at the same school or in the same program of study at the same school;
- (ii) Review for the student borrower available repayment plan options, including the standard repayment, extended repayment, graduated repayment, income contingent repayment plans, and income-based repayment plans, including a description of the different features of each plan and sample information showing the average anticipated monthly payments, and the difference in interest paid and total payments under each plan;
- (iii) Explain to the borrower the options to prepay each loan, to pay each loan on a shorter schedule, and to change repayment plans;
- (iv) Provide information on the effects of loan consolidation including, at a minimum—
  - (A) The effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;
  - (B) The effects of consolidation on a borrower's underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities;
  - (C) The options of the borrower to prepay the loan and to change repayment plans; and
  - (D) That borrower benefit programs may vary among different lenders;
- (v) Include debt management strategies that are designed to facilitate repayment;
- (vi) Explain to the student borrower how to contact the party servicing the student borrower's Direct Loans;
- (vii) Meet the requirements described in paragraphs (a)(6)(i), (a)(6)(ii), and (a)(6)(iv) of this section [see entrance counseling requirements (i), (ii), and (iv) in the first column of the previous page];
- (viii) Describe the likely consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation;
- (ix) Provide—
  - (A) A general description of the terms and conditions under which a borrower may obtain full or partial forgiveness or discharge of principal and interest, defer repayment of principal or interest, or be granted forbearance on a Title IV loan; and
  - (B) A copy, either in print or by electronic means, of the information the Secretary makes available pursuant to section 485(d) of the HEA,\*
- (x) Review for the student borrower information on the availability of the Department's Student Loan Ombudsman's office;
- (xi) Inform the student borrower of the availability of Title IV loan

information in the National Student Loan Data System (NSLDS) and how NSLDS can be used to obtain Title IV loan status information;

- (xii) Explain to first-time borrowers—
  - (A) How the borrower's maximum eligibility period, remaining eligibility period, and subsidized usage period are determined;
  - (B) The sum of the borrower's subsidized usage periods at the time of the exit counseling;
  - (C) The consequences of continued borrowing or enrollment, including—
    - (1) The possible loss of eligibility for additional Direct Subsidized Loans; and
    - (2) The possibility that the borrower could become responsible for accruing interest on previously received Direct Subsidized Loans and the portion of a Direct Consolidation Loan that repaid a Direct Subsidized Loan during in-school status, the grace period, authorized periods of deferment, and certain periods under the Income-Based Repayment and Pay As You Earn Repayment plans;
  - (D) The impact of the borrower becoming responsible for accruing interest on total student debt;
  - (E) That the Secretary will inform the student borrower of whether he or she is responsible for accruing interest on his or her Direct Subsidized Loans; and
  - (F) That the borrower can access NSLDS to determine whether he or she is responsible for accruing interest on any Direct Subsidized Loans;
- (xiii) A general description of the types of tax benefits that may be available to borrowers; and
- (xiv) Require the student borrower to provide current information concerning name, address, Social Security number, references, and driver's license number and state of issuance, as well as the student borrower's expected permanent address, the address of the student borrower's next of kin, and the name and address of the student borrower's expected employer (if known).

\* Section 485 requires the Secretary (i.e., the Department) to provide "descriptions of federal student assistance programs, including the rights and responsibilities of student and institutional participants," including "information to enable students and prospective students to assess the debt burden and monthly and total repayment obligations" for their loans.

Section 485(d) also refers to information

- to enable borrowers to assess the practical consequences of loan consolidation, including differences in deferment eligibility, interest rates, monthly payments, finance charges, and samples of loan consolidation profiles.
- concerning the specific terms and conditions under which students may obtain partial or total cancellation or defer repayment of loans for service.
- on the maximum level of compensation and allowances that a student borrower may receive from a tax-exempt organization to qualify for a deferment and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.
- on state and other prepaid tuition programs and savings programs and disseminates such information to states, eligible institutions, students, and parents in departmental publications.



## DL Entrance Counseling—Required Elements

### **Entrance counseling for Direct Subsidized and Unsubsidized Loans 34 CFR 685.304(a)(6)**

Entrance counseling for Direct Subsidized and Unsubsidized loan borrowers must:

- (i) Explain the use of a master promissory note (MPN);
- (ii) Emphasize to the borrower the seriousness and importance of the repayment obligation the student borrower is assuming;
- (iii) Describe the likely consequences of default, including adverse credit reports, delinquent debt collection procedures under federal law, and litigation;
- (iv) Emphasize that the student borrower is obligated to repay the full amount of the loan even if the student borrower does not complete the program, does not complete the program within the regular time for program completion, is unable to obtain employment upon completion, or is otherwise dissatisfied with or does not receive the educational or other services that the student borrower purchased from the school;
- (v) Inform the student borrower of sample monthly repayment amounts based on—
  - (A) A range of student levels of indebtedness of Direct Subsidized Loan and Direct Unsubsidized Loan borrowers or student borrowers with Direct Subsidized, Direct Unsubsidized, and Direct PLUS Loans, depending on the types of loans the borrower has obtained; or
  - (B) The average indebtedness of other borrowers in the same program at the same school as the borrower;
- (vi) To the extent practicable, explain the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance;
- (vii) Provide information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary;
- (viii) Inform the borrower of the option to pay the interest on a Direct Unsubsidized Loan while the borrower is in school;
- (ix) Explain the definition of half-time enrollment at the school, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment;
- (x) Explain the importance of contacting the appropriate offices at the school if the borrower withdraws prior to completing the borrower's program of study so that the school can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation;
- (xi) Provide information on the National Student Loan Data System (NSLDS) and how the borrower can access the borrower's records;
- (xii) Provide the name of and contact information for the individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan; and
- (xiii) For first-time borrowers, explain the limitation on eligibility for Direct Subsidized Loans and possible borrower responsibility for accruing interest, including—

- (A) The possible loss of eligibility for additional Direct Subsidized Loans;
- (B) How a borrower's maximum eligibility period, remaining eligibility period, and subsidized usage period are calculated;
- (C) The possibility that the borrower could become responsible for accruing interest on previously received Direct Subsidized Loans and the portion of a Direct Consolidation Loan that repaid a Direct Subsidized Loan during in-school status, the grace period, authorized periods of deferment, and certain periods under the Income-Based Repayment and Pay As You Earn Repayment plans; and
- (D) The impact of borrower responsibility for accruing interest on the borrower's total debt.

### **Entrance counseling for graduate or professional students (Direct PLUS Loan borrowers) 34 CFR 685.304(a)(7)**

Entrance counseling for graduate or professional student Direct PLUS loan borrowers must:

- (i) Inform the student borrower of sample monthly repayment amounts based on—
  - (A) A range of student levels or indebtedness of graduate or professional student PLUS loan borrowers or student borrowers with Direct PLUS Loans and Direct Subsidized Loans or Direct Unsubsidized Loans, depending on the types of loans the borrower has obtained; or
  - (B) The average indebtedness of other borrowers in the same program at the same school;
- (ii) Inform the borrower of the option to pay interest on a PLUS Loan while the borrower is in school;
- (iii) For a graduate or professional student PLUS Loan borrower who has received a prior FFEL Stafford, or Direct Subsidized or Unsubsidized Loan, provide the information specified in §685.301(a)(3)(i)(A) through §685.301(a)(3)(i)(C);\* and
- (iv) For a graduate or professional student PLUS Loan borrower who has not received a prior FFEL Stafford, or Direct Subsidized or Direct Unsubsidized Loan, provide the information specified in paragraph (a)(6)(i) through paragraph (a)(6)(xii) of this section. [See the entrance counseling requirements (i)–(xii) beginning in the first column of this page.]

\* §685.301(a)(3)(i) requires that the counseling provide the borrower with a comparison of—

- (A) The maximum interest rate for a Direct Subsidized Loan and a Direct Unsubsidized Loan and the maximum interest rate for a Direct PLUS Loan;
- (B) Periods when interest accrues on a Direct Subsidized Loan and a Direct Unsubsidized Loan and periods when interest accrues on a Direct PLUS Loan; and
- (C) The point at which a Direct Subsidized Loan and a Direct Unsubsidized Loan enters repayment, and the point at which a Direct PLUS Loan enters repayment.