

**Direct PLUS Loan Application and Master Promissory Note
Endorser Addendum to Direct PLUS Loan Application and Master Promissory Note
OMB No. 1845-0068
Proposed Changes**

HEOA Changes:

1. Direct PLUS Loan MPN and Endorser Addendum, multiple locations. All references to “credit bureaus” have been changed to “consumer reporting agencies” (this change is specified in various sections of the HEOA).
2. Direct PLUS Loan MPN, Section D, Item 20; Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 10, Payment of Interest. Added references to payment of interest that accrues during periods of in-school deferment (HEOA Sec. 434).
3. Direct PLUS Loan MPN, Section D, Item 19.E. Added language to cover a new deferment provision for certain graduate and professional student Direct PLUS Loan borrowers (HEOA Sec. 424).
4. Direct PLUS Loan MPN, Section F, and Endorser Addendum, Section E, Legal Notices. Added new paragraph explaining that loan information will be reported to the National Student Loan Data System (NSLDS) (HEOA sec. 489).
5. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 9, Interest Rate. Added language explaining that the interest rate limitation provision of the Servicemembers Civil Relief Act applies to Direct PLUS Loans (HEOA Sec. 422(g)).
6. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 10, Payment of Interest. Added a new paragraph to cover the no accrual of interest for active duty service members benefit (HEOA Sec. 451).
7. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 15, Repaying Your Loan, paragraph 1. Made minor wording changes for consistency with statutory provisions (HEOA Sec. 424 and 434(a)).
8. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 15, Repaying Your Loan, following Income-Based Repayment Plan paragraph. Added paragraph that refers to new exit counseling requirement for graduate or professional student Direct PLUS Loan borrowers (HEOA Sec. 488).
9. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 19, Credit Bureau Notification. Revised to reflect changes made by the HEOA related to reporting loan information to consumer reporting agencies (HEOA Sec. 432).
10. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 20, Deferment and Forbearance. Revised language to cover new deferment provisions for PLUS borrowers added by the HEOA (HEOA Sec. 424).
11. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 21, Loan Discharge, third bulleted paragraph. Revised language to reflect changes made by the HEOA (HEOA Sec. 437).
12. Direct PLUS Loan MPN and Endorser Addendum, Borrower’s Rights and Responsibilities Statement, Item 21, Loan Discharge. Added a new paragraph to cover new loan forgiveness benefits that may be available. (Because no funding has been appropriated for the two new loan forgiveness programs added by the HEOA, we do not believe that it is appropriate to provide more detailed information at this time.) (HEOA Sec. 425, 430, 431).

Regulatory changes:

1. Direct PLUS Loan MPN and Endorser Addendum, Borrower's Rights and Responsibilities Statement, Item 13, Disbursement, paragraph 2. Added a reference to schools with academic terms that do not meet certain regulatory requirements (reflects an amendment to 34 CFR 685.301(b)(3) made by final regulations published on November 1, 2007 [72 FR 62014]).
2. Direct PLUS Loan MPN and Endorser Addendum, Borrower's Rights and Responsibilities Statement, Item 15, Repaying Your Loans, Income-Based Repayment Plan paragraph. Changed "a specified period of time" to "a 25-year period" (reflects provisions of new 34 CFR 685.221, added by final regulations published on October 23, 2008 [73 FR 63232]).
3. Direct PLUS Loan MPN and Endorser Addendum, Borrower's Rights and Responsibilities Statement, Item 20, Deferment and Forbearance. Minor wording changes to reflect amendments to 34 CFR 685.204 made by final regulations published on October 23, 2008 (73 FR 63232).

Other changes:

Direct PLUS Loan MPN, Section D, Item 19.H., and Endorser Addendum, Section D, Item 26. Added language authorizing the U.S. Department of Education and other parties to contact the borrower or endorser using automated dialing equipment at any current or future number the borrower or endorser provides for his or her cell phone or other wireless device. This language was previously added to the Direct Subsidized/Unsubsidized Loan MPN (1845-0007) after being presented to the public for comment through the regular paperwork clearance process in 2008. We propose to add the same language to the Direct PLUS Loan MPN and Endorser Addendum for consistency with the previously approved Direct Subsidized/Unsubsidized Loan MPN.