

# 2013 Update to the Entrance and Exit Counseling Guides for Federal Student Loan Borrowers

## New Loans

The FFEL Program ended July 1, 2010. No new loans, including consolidation loans, have been made under the FFEL Program since that date.

Graduate and professional students are not eligible to receive Direct Subsidized Loans for any period of enrollment (loan period) that begins on or after July 1, 2012.

## Interest Rates

Loan Interest Rates by Disbursement Date		
Loan Type	First Disbursed 7/1/2012—6/30/2013	Disbursed After 6/30/2013
Direct Subsidized Loans (Undergraduate Students)	Fixed at 3.4%	Fixed at 6.8%
Direct Unsubsidized Loans	Fixed at 6.8%	Fixed at 6.8%
Direct PLUS Loans (Parents and Graduate or Professional Students)	Fixed at 7.9%	Fixed at 7.9%

## Grace Periods

If your loan was first disbursed from July 1, 2012 through June 30, 2014, the federal government will not pay the interest during your grace period.

Graduate and professional student borrowers with Direct and FFEL PLUS loans that were first disbursed on or after July 1, 2008, receive an automatic deferment while in school and a six-month deferment (comparable to a grace period) for the first 12 months of enrollment.

## New Repayment Plan

Pay As You Earn Like the Income Based Repayment (IBR) Plan, the new Contingent Repayment (ICR) Plan (Pay As You Earn) is based on your income and generally offers the lowest monthly payments of the income-driven plans. Pay As You Earn is available to some Direct Loan borrowers whose federal student loan debt is high relative to their income. If you make payments under the Pay As You Earn plan for 20 years and meet other requirements, you may have the remaining balance of your loan(s) cancelled. Additionally, if you work in public service and have reduced loan payments through Pay As You Earn, after you have worked 10 years, the remaining balance could be cancelled. Contact your loan holder or loan servicer, or visit [StudentAid.gov](http://StudentAid.gov) for more detailed information about the Pay As You Earn Repayment Plan.

## New Online Financial Awareness Counseling

For an interactive experience to help you better understand and manage your student loans, visit [www.StudentLoans.gov](http://www.StudentLoans.gov). You'll find Financial Awareness Counseling under Tools and Resources on the home page.