



## Endorser Addendum

### Application and Master Promissory Note: Federal Direct PLUS Loan

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

Warning: Any person who knowingly makes a false statement or misrepresentation on this form shall be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

OMB No. 1845-0068  
Form Approved  
Exp. Date 01/31/2006

#### NOTE TO ENDORSER:

By signing this Endorser Addendum (Addendum), you (1) agree to repay the loan under the terms and conditions of the Federal Direct PLUS (Direct PLUS) Loan Application and Master Promissory Note (MPN) signed by the borrower if the borrower does not repay the loan, and (2) agree that your rights under the MPN are governed by the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq.), and other applicable federal laws and regulations. The terms and conditions of the MPN are presented in Section E of this Addendum and in the accompanying document called "Borrower's Rights and Responsibilities Statement".

#### SECTION A: ENDORSER INFORMATION

1. Name (last, first, middle initial)	2. Social Security No.	3. Date of Birth (MM/DD/YYYY)
4. Permanent Address (street, city, state, zip code)	5. Home Area Code/Telephone No.	6. Driver's License State and No.
	7. U.S. Citizenship Status (check one) (1) <input type="checkbox"/> U.S. Citizen or National (2) <input type="checkbox"/> Permanent Resident/Other Eligible Non-Citizen If (2), Alien Registration No.	
8. Employer's Name	9. Employer's Area Code/Telephone No. ( )	
10. Employer's Address (street, city, state, zip code)		

11. References: You must list two persons with different U.S. addresses who have known you for at least three years. Do not list the Direct PLUS Loan borrower or the student as a reference.

Name	1. _____	2. _____
Permanent Street Address	_____	_____
City, State, Zip Code	_____	_____
Area Code/Telephone No.	( ) _____	( ) _____

#### SECTION B: PARENT INFORMATION

12. Parent Borrower's Name (last, first, middle initial)	13. Parent Borrower's Social Security No.	14. Parent Borrower's Date of Birth (M/DD/YYYY)
15. Parent Borrower's Permanent Address (street, city, state, zip code)	16. Loan Identification No.	17. Direct PLUS Loan Amount
18. Parent Borrower's Home Area Code/Telephone No.		

#### SECTION C: STUDENT INFORMATION

19. Student's Name (last, first, middle initial)	20. Student's Social Security No.	21. Name and Address of Student's School
--	-----------------------------------	--

#### SECTION D: ENDORSER'S PROMISE TO PAY

#### READ CAREFULLY BEFORE SIGNING BELOW

22. Under penalty of perjury, I certify that (1) the information contained in Section A of this Addendum is true and accurate, and (2) I am not the student on whose behalf the borrower is receiving the Direct PLUS Loan.
23. I understand that this is an Addendum to a Direct PLUS Loan MPN. I will not sign the Addendum before reading the entire Addendum, even if I am told not to read it, or told that I am not required to read it.
24. I am entitled to an exact copy of this Addendum and the Borrower's Rights and Responsibilities Statement. My signature below certifies that I have read, understand, and agree to the terms and conditions of the MPN (as shown in Section E of this Addendum), this Addendum, and the accompanying Borrower's Rights and Responsibilities Statement.
25. I authorize the U.S. Department of Education (ED) to investigate my credit record and report information about my loan status to persons and organizations permitted by law to receive that information. I understand that if the borrower becomes delinquent in making payments or defaults on the loan made under the MPN, ED may report my name to credit bureaus in connection with the delinquent or defaulted loan.
26. If the borrower identified in Section B does not repay the loan that is disbursed under the MPN, I promise to repay the full amount of the loan to ED, including unpaid principal, accrued interest, and other charges and fees which may become due, as provided on the MPN and this Addendum. If I fail to make payments on the loan made under the MPN and this Addendum when due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees. I understand that ED may use the same collection efforts against me that may be used against the borrower. These methods may include, but are not limited to, suing me and garnishing my wages.
27. The maximum loan amount that may be disbursed to the borrower under this MPN is shown in Item 17 of Section B of this Addendum. The actual amount disbursed to the borrower may be less than the amount shown.

I UNDERSTAND THAT THIS IS A FEDERAL LOAN THAT I MUST REPAY IF THE BORROWER DOES NOT REPAY THE LOAN.

28. Endorser's Signature \_\_\_\_\_ 29. Today's Date (Month/Day/Year) \_\_\_\_\_

## Addendum – Direct PLUS Loan MPN (continued)

### SECTION E: MPN TERMS AND CONDITIONS

#### NOTE TO ENDORSER:

*This is an Addendum to the Federal Direct PLUS (Direct PLUS) Loan Application and Master Promissory Note (MPN) signed by the borrower of the Direct PLUS Loan. By signing this Addendum, you are agreeing to repay only the loan that is identified in Section B of this Addendum, if the borrower does not repay that loan. No additional loans may be made to the borrower under this MPN.*

*This section of the Addendum contains the terms and conditions of the MPN signed by the borrower. Important additional information is also contained in the Borrower's Rights and Responsibilities Statement accompanying this Addendum. As an endorser, you are not entitled to all of the same benefits as a Direct PLUS Loan borrower. For complete information regarding your rights and responsibilities as an endorser, please read the Borrower's Rights and Responsibilities Statement.*

#### GOVERNING LAW

The terms of this Application and Master Promissory Note (MPN) will be interpreted in accordance with the Higher Education Act of 1965, as amended (20 U.S.C. 1070 et seq.), and other applicable federal laws and regulations (collectively referred to as the "Act"). Applicable state law, except as preempted by federal law, may provide for certain borrower rights, remedies, and defenses in addition to those stated in this MPN.

#### DISCLOSURE OF LOAN TERMS

This MPN applies to Federal Direct PLUS (Direct PLUS) Loans. Under this MPN, the principal amount that I owe, and am required to repay, will be the sum of all disbursements that are made (unless I reduce or cancel any disbursements as explained below under Loan Cancellation), plus any unpaid interest that is capitalized and added to the principal amount.

At or before the time of the first disbursement of each loan, a disclosure statement will be sent to me identifying the amount of the loan and additional terms of the loan. Important additional information is also contained in 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.

I may request additional loan funds to pay for the student's educational costs by contacting the school's financial aid office. The school will determine if I am eligible for any additional loan funds. I will be notified of any increase or other change in the amount of my loan.

I understand that each loan made under this MPN is separately enforceable based on a true and exact copy of this MPN.

#### LOAN CANCELLATION

I may pay back all or part of a disbursement within the timeframes set by the Act, as explained in the Borrower's Rights and Responsibilities Statement and in a disclosure statement that I will receive. If I return the full loan amount within those timeframes, I will not incur any loan fee or interest charges. If I return part of a disbursement within those timeframes, the loan fee and interest charges will be reduced in proportion to the amount returned.

#### INTEREST

Unless the U.S. Department of Education (ED) notifies me in writing of a lower rate, the interest rate for any loan I receive under this MPN is determined using a formula specified in the Act. As explained in the Borrower's Rights and Responsibilities Statement, I will be notified of the actual interest rate for each loan that I receive.

ED charges interest on the unpaid principal balance of each loan from the date of disbursement until the loan is paid in full. This includes interest that accrues during deferment, forbearance, or other periods. I agree to pay all interest charges on my loan. I will be given the opportunity to pay the interest that accrues during a period of authorized deferment or forbearance. If I do not pay the interest, I understand that ED may capitalize the interest at the end of the deferment or forbearance, as provided under the Act.

#### LOAN FEE

A loan fee is charged for each Direct PLUS Loan as provided by the Act, and will be deducted proportionately from each disbursement of each of my loans. The loan fee will be shown on disclosure statements that will be issued to me. I understand the loan fee may be refundable only as permitted by the Act.

#### LATE CHARGES AND COLLECTION COSTS

ED may collect from me: (1) a late charge for each late installment payment if I fail to make any part of a required installment payment within 30 days after it becomes due, and (2) any other charges and fees that are permitted by the Act related to the collection of my loans. If I default on my loans, I will pay reasonable collection costs, plus court costs and attorney fees.

#### REPAYMENT

I must repay the full amount of the loans made under this MPN, including interest. I will repay each loan in monthly installments during a repayment period that begins on the day of the final disbursement of that loan. Payments made by me or on my behalf will be applied first to late charges and collection costs that are due, then to interest that has not been paid, and finally to the principal amount of the loan.

The Direct Loan Servicing Center will provide me with a choice of repayment plans. Information on these repayment plans is included in the Borrower's Rights and Responsibilities Statement.

The Direct Loan Servicing Center will provide me with a repayment schedule that identifies my payment amounts and due dates. If I am unable to make my scheduled loan payments, ED may allow me to temporarily stop making payments, reduce my payment amount, or extend the time for making payments, as long as I intend to repay my loan. Allowing me to temporarily delay or reduce loan payments is called forbearance.

I agree that ED may adjust payment dates on my loans or may grant me forbearance to eliminate a delinquency that remains even though I am making scheduled installment payments.

I may prepay all or any part of the unpaid balance on my loans at any time without penalty. If I do not specify which loans I am prepaying, ED will determine how to apply the prepayment in accordance with the Act. After I have repaid in full a loan made under this MPN, ED will send me a letter telling me that I have paid off my loan.

#### ACCELERATION AND DEFAULT

At ED's option, the entire unpaid balance of a loan made under this MPN will become immediately due and payable (this is called "acceleration") if any one of the following events occurs: (1) the student for whom I am borrowing fails to enroll as at least a half-time student at the school that certified my loan eligibility; (2) I fail to use the proceeds of the loan solely for educational expenses of the student for whom I borrowed; (3) I make a false representation that results in my receiving a loan for which I am not eligible; or (4) I default on the loan.

The following events will constitute a default on my loan: (1) I fail to pay the entire unpaid balance of the loan after ED has exercised its option under items (1), (2), and (3) in the preceding paragraph; (2) I fail to make installment payments when due, provided my failure has persisted for at least 270 days; or (3) I fail to comply with other terms of the loan, and ED reasonably concludes that I no longer intend to honor my repayment obligation. If I default, ED may capitalize all the outstanding interest into a new principal balance, and collection costs will become immediately due and payable.

If I default, the default will be reported to national credit bureaus and will significantly and adversely affect my credit history. I understand that a default will have additional adverse consequences to me as disclosed in the Borrower's Rights and Responsibilities Statement.

#### LEGAL NOTICES

Any notice required to be given to me will be effective if mailed by first class mail to the most recent address ED has for me. I will immediately notify ED of a change of address or status as specified in the Borrower's Rights and Responsibilities Statement.

If ED fails to enforce or insist on compliance with any term on this MPN, this does not waive any right of ED. No provision of this MPN may be modified or waived except in writing by ED. If any provision of this MPN is determined to be unenforceable, the remaining provisions will remain in force.

## Addendum – Direct PLUS Loan MPN (continued)

### SECTION F: INSTRUCTIONS FOR COMPLETING THE ADDENDUM

Use a blue or black ink ball point pen or typewriter to complete Sections A and D of this Addendum (Sections B and C will be completed by ED). Do not use pencil.

#### SECTION A: ENDORSER INFORMATION

**Item 1.** Enter your last name, then your first name and middle initial.

**Item 2.** Enter your nine-digit Social Security Number.

**Item 3.** Using only numbers, enter the month, day and four-digit year of your birth. (For example, for June 24, 1954, you would enter 06/24/1954.)

**Item 4.** Enter your permanent home street address (including apartment number, if applicable), city, state, and zip code. If you have a Post Office Box and a street address, list both.

**Item 5.** Enter the area code and telephone number for the address listed in item 4. If you do not have a telephone, write "N/A."

**Item 6.** Enter the two-letter state abbreviation for the state that issued your current driver's license, followed by your driver's license number. If you do not have a driver's license, write "N/A."

**Item 7.** Place a check in the box that corresponds to your citizenship status. If you check box (2), enter your Alien Registration Number.

(1) "U.S. Citizen" includes citizens of the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands. "National" includes not only all U.S. citizens, but also citizens of American Samoa and Swain's Island.

(2) "Permanent Resident" means someone who can provide documentation of this status from the U.S. Immigration and Naturalization Service. "Other Eligible Non-Citizen" includes individuals who can provide documentation from the U.S. Immigration and Naturalization Service that they are in the United States for a purpose that is not temporary, with the intention of becoming a citizen or permanent resident. This category includes refugees, persons granted asylum, Cuban-Haitian entrants, temporary residents under the Immigration Reform and Control Act of 1986, and others.

**NOTE:** If your citizenship status is not one of the categories described above, you are not eligible to be an endorser.

**Items 8, 9, and 10.** Enter your employer's name, area code and telephone number, and address (street, city, state, zip code). If you are self-employed, enter the name, address, and telephone number of your business.

**Item 11.** Enter the requested information for two adults who do not have the same address. References who live outside the United States are not acceptable. If a reference does not have a telephone number, write "N/A."

#### SECTION D: ENDORSER'S PROMISE TO REPAY

**Items 22, 23, 24, 25, 26, and 27.** Read these items carefully.

**Items 28 and 29.** Sign your full legal name, in blue or black ink, and enter the date you signed this Addendum. Show the date as month/day/year.

### SECTION G: IMPORTANT NOTICES

#### GRAMM-LEACH-BLILEY ACT NOTICE

In 1999, Congress enacted the Gramm-Leach-Bliley Act (Public Law 106-102). This Act requires that lenders provide certain information to their customers regarding the collection and use of nonpublic personal information.

We disclose nonpublic personal information to third parties only as necessary to process and service your loan and as permitted by the Privacy Act of 1974. See the Privacy Act Notice below. We do not sell or otherwise make available any information about you to any third parties for marketing purposes.

We protect the security and confidentiality of nonpublic personal information by implementing the following policies and practices. All physical access to the sites where nonpublic personal information is maintained is controlled and monitored by security personnel. Our computer systems offer a high degree of resistance to tampering and circumvention. These systems limit data access to our staff and contract staff on a "need-to-know" basis, and control individual users' ability to access and alter records within the systems. All users of these systems are given a unique user ID with personal identifiers. All interactions by individual users with the systems are recorded.

#### PRIVACY ACT NOTICE

**The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:**

The authority for collecting the requested information from and about you is §451 et seq. of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C. 1087a et seq.) and the authority for collecting and using your Social Security Number (SSN) is §428B(f) of the HEA (20 U.S.C. 1078-2(f)). Participating in the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Direct Loan Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed to third parties as authorized under routine uses in the appropriate systems of records. The routine uses of this information include its disclosure to federal, state, or local agencies, to other federal agencies under computer matching programs, to agencies that we authorize to assist us in administering our loan programs, to private parties such as relatives, present and former employers, business and personal associates, to credit bureau organizations, to financial and educational institutions, to guaranty agencies, and to contractors in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to counsel you in repayment efforts, to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default, to provide default rate calculations, to provide financial aid history information, to assist program administrators with tracking refunds and cancellations, or to provide a standardized method for educational institutions efficiently to submit student enrollment status.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

#### FINANCIAL PRIVACY ACT NOTICE

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), ED will have access to financial records in your student loan file maintained in compliance with the administration of the Direct Loan Program.

#### PAPERWORK REDUCTION NOTICE

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0068. The time required to complete this information collection is estimated to average 0.5 hours (30 minutes) per response, including the time to review instructions, search existing data sources, gather and maintain the data needed, and complete and review the information. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving the form, please write to:** U.S. Department of Education, Washington, DC 20202-4651. **If you have any comments or concerns regarding the status of your individual submission of this form, write directly to:**

U.S. Department of Education  
Common Origination and Disbursement School Relations Center  
Attn: Applicant Services  
PO Box 9002  
Niagara Falls, NY 14302