

## CONSUMER INFORMATION

### HAVE A STUDENT LOAN? YOU PROBABLY NEED TO LEARN SOME LOAN TERMINOLOGY:

- **Loan** is the money borrowed from a lending institution or the Department that must be repaid.
- **Grace Period** is the 6-month period after you graduate, leave school, or drop below half-time enrollment during which you are not required to make payments on subsidized and unsubsidized loans. The repayment period begins at the end of the grace period. PLUS loans do not have a grace period.
- **Master Promissory Note (MPN)** is a binding legal document that you signed before receiving your student loans and by which you agreed to repay your loan(s). You may have received more than one loan under this MPN as it covers a period of up to 10 years to pay for your educational costs, as long as your school was authorized to use the multi-year feature of the MPN and chose to do so. If your school was not authorized to use the multi-year feature of the MPN or chose not to do so, or if you did not want to receive more than one loan under the MPN, you must have signed a new MPN for each loan you received.

The MPN also contains a Borrower's Rights and Responsibilities statement that explains the terms and conditions of the loans you received. It is very important to read and save this document because you'll need to refer to it later when you begin repaying your loan.

- **Lender** is the organization that made the loan initially; the lender could be a bank, credit union, or other lending institution (for FFEL Loans); or the Department (for Direct Loans).
- **Loan Holder** is an entity that holds your loan promissory note and has the right to collect from you. Many banks sell loans, so the initial lender and the current holder could be different.
- **Loan Servicer** is an organization that handles billing and performs other loan servicing functions on behalf of the lender.
- **National Student Loan Data System (NSLDS)** is the Department's central database for student aid. NSLDS contains information about all of the student loans and other financial aid you have received through the Department's federal student aid programs. You can access this information online using your Department of Education PIN.