

Direct Loans

William D. Ford Federal Direct Loan Program

<mm/dd/yyyy>

<FirstName> <MI> <LastName>
<Street>
<City>, <State> <Zip>

Loan/Award Identification #: <MASK_ACCOUNT>
Student Name: <FirstName> <MI> <LastName>
School Name: <SchoolName>

Dear <FirstName> <MI> <LastName>,

We are unable to approve your request to borrow a Direct PLUS Loan. This determination is based on adverse credit information obtained through a credit check with:

V\$_CB_NAME
V\$_CB_ADDRESS1
V\$_CB_ADDRESS2
V\$_CB_CSZ
V\$_CB_PHONE

The specific adverse credit information is:

V\$_REASON_1
V\$_REASON_2
V\$_REASON_3
V\$_REASON_4
V\$_REASON_5

Under the FAIR CREDIT REPORTING ACT, you have the right to obtain a copy of your credit report free of charge from the consumer reporting agency listed above. If the information in your credit report is incorrect, contact the consumer reporting agency identified above to have the information corrected. Once the information is corrected, contact Applicant Services and request that your application be reprocessed.

You may still qualify for a Direct PLUS Loan if you obtain an endorser who does not have an adverse credit history, or if you document to our satisfaction that there are extenuating circumstances related to the adverse credit information.

Obtaining an Endorser

An endorser is someone who does not have an adverse credit history and agrees to repay the loan if you do not repay it. If you are a parent borrower, the endorser may not be the student on whose behalf you are requesting the Direct PLUS Loan. If you choose to obtain an endorser, the enclosed addendum must be completed and returned to Applicant Services.

Mail the completed endorser addendum to:
U.S. Department of Education
Applicant Services
P.O. Box 5692
Montgomery, AL 36103-5692

Alternatively, the endorser may complete the endorser addendum on our secure [StudentLoans.gov](https://studentloans.gov) Web site. To complete the endorser addendum online, the endorser will need the Loan/Award Identification Number and a Federal Student Aid (FSA) PIN. The Loan/Award Identification Number is printed on the

enclosed endorser addendum. If the endorser does not have an FSA PIN, they may obtain one by visiting the FSA PIN Web site at www.pin.ed.gov.

Documenting Extenuating Circumstances

If you believe there are extenuating circumstances related to the adverse credit information listed above that should be considered in evaluating your eligibility for a Direct PLUS Loan, you may send documentation to Applicant Services explaining your situation. You must explain in detail the extenuating circumstances that you believe mitigate the adverse credit information in your credit record. If appropriate, include documentation to support your explanation.

Contact the school's financial aid office as soon as possible to let them know whether you plan to pursue a Direct PLUS Loan by obtaining an endorser or submitting documentation of extenuating circumstances. If you decide not to pursue a Direct PLUS Loan, the school's financial aid administrator may be able to provide information concerning other options to assist you with paying for your or the student's education.

If you have questions regarding the information in this letter, Applicant Services is available to assist you from 8:00 AM to 8:00 PM, Eastern Time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-877-461-7010.

Sincerely,

U.S. Department of Education
Federal Student Aid
William D. Ford Federal Direct Loan Program

Sample - Borrower Failed Credit Check