

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

QUARTERLY SPECIAL ALLOWANCE RATES MEMO

PERIOD: Quarter ended March 31, 2022

DATE: April 5, 2022

SUBJECT: Federal Family Education Loan Program Calculation of Quarterly Special Allowance Rates for the Quarter Ending March 31, 2022

OVERVIEW: The U.S. Department of Education is required under section 438 of the *Higher Education Act* to calculate and issue the quarterly Special Allowance rates for the three categories listed below.

COMMERCIAL PAPER RATE

The Commercial Paper rate is the average of the bond equivalent rates of the quotes of the 3-month commercial paper (financial) rates in effect for each of the days in such quarter as reported by the Federal Reserve in Publication H-15 (or its successor) for such 3-month period. For the quarter ending March 31, 2022, the average rate used to compute special allowance is 0.45%.

LIBOR RATE

The LIBOR rate is the average of the bond equivalent rates of the quotes of the 1-month London InterBank Offered Rate (LIBOR) in effect for each of the days in such quarter as compiled and released by the British Bankers Association. For the quarter ending March 31, 2022, the average rate used to compute special allowance is 0.23%.

TREASURY BILL RATE

The Treasury Bill rate is the average of the bond equivalent rates of the 13-week Treasury bills as published by the Department of the Treasury. For the quarter ending March 31, 2022, the average of the rates is 0.33%.

ATTACHMENTS

Attachments A, B, C, and D contain the quarterly special allowance rates computed pursuant to section 438.

Accounting Operations Division
Finance Directorate

Attachments A, B, C, and D for Quarter Ending March 31, 2022

Attachment A – Regular Special Allowance Rates

Attachment A Includes:

Stafford loans (subsidized and unsubsidized), Parent Loan for Undergraduate Students (PLUS) loans, Supplemental Loans for Students (SLS) loans, and Consolidation loans made or purchased with taxable funds.

Stafford (subsidized and unsubsidized), PLUS (fixed-rate; includes student-borrower component of the PLUS Program), and Consolidation loans made prior to 10/1/1981.

Category SA

Formula: (0.33%) plus (3.5%) less (applicable interest rate), rounded up to the nearest 1/8th of 1% = annual special allowance rate.

For Income-Based Repayment (IBR) the Special Allowance Payment (SAP) factor for the 3-month period factor is 0.009688.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
7%	0.00	0.000000
9%	0.00	0.000000

Note: The Special Allowance at Annual Rate and Special Allowance for 3-month Period figures are shown as decimals throughout this memo, e.g., 0.5% (one-half of one percent) is shown as 0.005, 1.5% (one and one-half percent) is shown as 0.015, etc.

Attachment A – Regular Special Allowance Rates (cont.)

Stafford (subsidized only) and PLUS (fixed rate, includes student borrower component of the PLUS program) loans:

Made on or after 10/1/1981, but prior to 10/17/1986.

Made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning prior to 11/16/1986.

Consolidation loans made on or after 10/1/1981, but prior to 11/16/1986.

Category SB

Formula: (0.33%) plus (3.5%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.009575.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
7%	0.00	0.00
8%	0.00	0.00
9%	0.00	0.00
12%	0.00	0.00
14%	0.00	0.00

Attachment A – Regular Special Allowance Rates (cont.)

Stafford loans:

Subsidized made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning on or after 11/16/1986.

Subsidized made on or after 11/16/1986, but prior to 10/1/1992.

Unsubsidized made pursuant to 428H of the Act) made prior to 10/1/1992 for periods of enrollment beginning on or after 10/1/1992.

PLUS/SLS loans:

Fixed-rate made on or after 10/17/1986, but prior to 11/16/1986, for periods of enrollment beginning on or after 11/16/1986.

Fixed-rate made on or after 11/16/1986, but prior to 7/1/1987.

Variable-rate made on or after 7/1/1987, but prior to 10/1/1992, *only* if the variable-rate for each July 1 - June 30 period reaches the statutory maximum of 12%. [Category SD VAR](#)

Consolidation loans made on or after 11/16/1986, but prior to 10/1/1992.

[Category SD](#)

Formula: (0.33%) plus (3.25%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.008950.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3.12% ^{1,2,3}	0.004600	0.001150
3.27% ⁴	0.003100	0.000775
7%	0.00	0.00
8%	0.00	0.00
9%	0.00	0.00
10%	0.00	0.00
11%	0.00	0.00
12%	0.00	0.00

Note: Fixed-rate Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) or 427A(i)(1) of the Act and that have been converted to a variable rate. Reference 427A(i)(7)(D) of the Act.

- 1) Fixed-rate 7% Stafford loans (1992 Amendments). [Category D FVAR7](#)
- 2) (a) Fixed-rate 8% Stafford loans, and (b) 8/10% Stafford loans (prior to the 49th month of repayment) (1992 Amendments). [Category SD FVAR8](#)
- 3) (a) Fixed-rate 9% Stafford loans, and (b) 8/10% Stafford loans (on or after the 49th month of repayment) (1992 Amendments). (a) [Category SD FVAR9](#) (b) [Category SD FVARX](#)
- 4) Fixed-rate 8/10% Stafford loans (on or after the 49th month of repayment) (1986 Amendments). [Category SD FVAR10](#)

Attachment A – Regular Special Allowance Rates (cont.)

Stafford loans:

Subsidized made on or after 10/1/1992, but prior to 7/1/1995.

Unsubsidized made on or after 10/1/1992, but prior to 7/1/1995, for periods of enrollment beginning on or after 10/1/1992.

Subsidized and unsubsidized made on or after 7/1/1995 but prior to 7/1/1998, except during the in-school, grace, and deferment periods.

PLUS/SLS loans:

Variable-rate made on or after 10/1/1992 but prior to 7/1/1994, *only* if the variable-rate for each July 1 - June 30 period reaches the statutory maximum of 11% (SLS) or 10% (PLUS).

Category SE

PLUS loans:

Variable-rate made on or after 7/1/1994 but prior to 7/1/1998. [Category SG](#)

Variable-rate made on or after 7/1/1998 but prior to 1/1/2000 (special allowance shall not be paid unless the calculated interest rate exceeds the 9% cap). [Category SH](#)

Consolidation loans made on or after 10/1/1992 but prior to 10/1/1998.

Formula: (0.33%) plus (3.1%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.008575.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3%	0.004300	0.001075
4%	0.00	0.00
5%	0.00	0.00
3.12% ^{5,6,7,8}	0.003100	0.000775

5) Fixed-rate 7% Stafford Loans (1992 Amendments). [Category SE FVAR7](#)

6) (a) Fixed-rate 8% Stafford loans, and (b) 8/10% Stafford loans (prior to the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate (1992 Amendments). [Category SE FVAR8](#)

7) (a) All Stafford loans made for periods of enrollment that either begin on or after 7/1/1994 or include that date for which the first disbursement is made on or after 7/1/1994 but prior to 7/1/1995, (b) Stafford loans for which the first disbursement is made on or after 7/1/1995 and before 7/1/1998, except during the in-school, grace, and deferment periods, and (c) consolidation loans for which the loan application was received on or after 11/13/1997 and prior to 10/1/1998. [Category SG EVAR](#)

8) (a) Stafford loans, made to new borrowers, for which the first disbursement is made on or after 10/1/1992 but prior to 7/1/1994, (b) fixed-rate 9% Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate; see 427A(i)(7)(D) of the Act and (c) 8/10% Stafford loans (on or after the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate (1992 Amendments). (a) [Category SE EVAR](#) (b) [Category SE FVAR9](#) (c) [Category SE FVAR10](#)

Attachment A – Regular Special Allowance Rates (cont.)

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3.19% ⁹	0.002400	0.000600
6% ¹⁰	0.00	0.00
7%	0.00	0.00
8%	0.00	0.00
9%	0.00	0.00
10%	0.00	0.00
11%	0.00	0.00
12%	0.00	0.00
14%	0.00	0.00

Note: Fixed-rate Stafford loans that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate. Reference 427A(i)(7)(D) of the Act.

9) PLUS loans made on or after 7/1/1994 but prior to 7/1/1998. [Category SG EVAR](#)

10) The 6% interest and special allowance rates only apply to Consolidations loans made on or after 7/1/1994.

Attachment A – Regular Special Allowance Rates (cont.)

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1995 but prior to 7/1/1998, only during the in-school, grace, and deferment periods.

Category SH EVAR

Formula: (0.33%) plus (2.5%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.007075.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
2.52%	0.003100	0.000775

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1998 but prior to 1/1/2000, only during the in-school, grace, and deferment periods.

Category SJ EVAR

Formula: (0.33%) plus (2.2%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.006325.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
1.72%	0.008100	0.002025

Stafford loans (subsidized and unsubsidized) made on or after 7/1/1998 but prior to 1/1/2000, except during the in-school, grace, and deferment periods.

Category SK EVAR

Formula: (0.33%) plus (2.8%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.007825.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
2.32%	0.008100	0.002025

Consolidation loan made on or after 10/1/1998 but prior to 1/1/2000.

Formula: (0.33%) plus (3.1%) less (applicable interest rate) = special allowance rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8th of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. [Category SL](#)

Attachment B – Special Allowance Rates for Tax-Exempt Loans

Attachment B Includes:

Loans made or purchased with (a) funds obtained by the holder from the issuance, or refinancing of obligations originally issued prior to 10/1/1993, or (b) funds derived from default reimbursements, collections, interest, or other income resulting from loans made or purchased with such tax-exempt funds.

Tax-exempt loans, otherwise eligible for special allowance, made on or after 10/1/1981.

Formula: (0.33%) plus (3.5%) less (applicable interest rate), divided by two = annual special allowance rate, however the annual special allowance rate is not less than:

For loans made prior to 10/1/1992, 2.5% (for 7% loans), 1.5% (for 8% loans), and 0.5% (for 9% loans).

For loans made on or after 10/1/1992, 9.5% less the applicable interest rate.

For IBR the SAP factor for the 3-month period factor is 0.023750.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
1.72% ¹¹	0.077800	0.019450
2.32% ¹²	0.071800	0.017950
2.52% ¹³	0.069800	0.017450

11) Stafford loans made on or after 7/1/1998 but prior to 4/1/2006, only during the in-school, grace, and deferment periods. [Category XJ EVAR](#)

12) Stafford loans made on or after 7/1/1998 but prior to 4/1/2006, except during the in-school, grace, and deferment periods. [Category XK EVAR](#)

13) Stafford loans for which the first disbursement is made on or after 7/1/1995 and before 7/1/1998, only during the in-school, grace, and deferment periods. [Category XH EVAR](#)

Attachment B – Special Allowance Rates for Tax-Exempt Loans (cont.)

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3.12% ^{14, 15}	0.063800	0.015950
3.27% ¹⁶	0.062300	0.015575
6% ¹⁷	0.035000	0.008750
6.8%	0.027000	0.006750
7%	0.025000	0.006250
8%	0.015000	0.003750
9%	0.005000	0.001250

14) (a) 8/10% Stafford loans (on or after the 49th month of repayment) that were subject to the windfall profits provisions of 427A(i)(3) of the Act and that have been converted to a variable rate, and (b) Stafford loans, made to new borrowers, for which the first disbursement is made on or after 10/1/1992 but prior to 7/1/1994. (1992 Amendments). (a) [Category XE FVAR10](#) (b) [Category XE EVAR](#)

15) (a) All Stafford loans made for periods of enrollment that either begin on or after 7/1/1994 or include that date for which the first disbursement is made on or after 7/1/1994 but prior to 7/1/1995 and (b) all PLUS loans made on or after 1/1/2000 but prior to 4/1/2006. (a) [Category XG EVAR](#) (b) [Category XQ EVAR](#)

16) Fixed-rate 8/10% Stafford loans that were subject to the windfall profits provisions of 427A(i)(1) of the Act and that have been converted to a variable rate: reference 427A(i)(7)(D) of the Act (1986 Amendments). [Category XB FVAR10](#)

17) The 6% interest rates and special allowance rates apply to Consolidation loans made on or after 7/1/1994 with tax-exempt funds.

Attachment C –Special Allowance Rates Based on Commercial Paper Rates

Attachment C Includes:

Loans made on or after 1/1/2000 for which the special allowance is calculated.

Stafford loans (subsidized and unsubsidized):

Made on or after 1/1/2000 but prior to 4/1/2006, only during the in-school, grace, and deferment periods.

Made on or after 4/1/2006 and prior to 10/1/2007, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the *Higher Education Reconciliation Act (HERA)*.

Formula: (0.45%) plus (1.74%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.005475.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
1.72% ¹⁸	0.004700	0.001175
1.72% ¹⁹	0.004700	0.001175
6.80% ²⁰	(0.046100)	(0.011525)

18) Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. [Category CA EVAR](#)

19) Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. [Category CE EVAR](#)

20) Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CE](#)

Attachment C –Special Allowance Rates Based on Commercial Paper Rates (cont.)

Stafford loans (subsidized and unsubsidized):

Made on or after 1/1/2000 but prior to 4/1/2006, except during the in-school, grace, and deferment periods.

Made on or after 4/1/2006 and prior to 10/1/2007, except during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (2.34%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.006975.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
2.32% ²¹	0.004700	0.0011775
2.32% ²²	0.004700	0.0011775
6.80% ²³	(0.040100)	(0.010025)

21) Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. [Category CB EVAR](#)

22) Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. [Category CF EVAR](#)

23) Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CF](#)

Attachment C –Special Allowance Rates Based on Commercial Paper Rates (cont.)

PLUS loans:

Made on or after 1/1/2000 but prior to 4/1/2006.

Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (2.64%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.007725.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3.12% ²⁴	0.00	0.00
3.12% ²⁵	(0.000300)	(0.000075)
8.50% ²⁶	(0.054100)	(0.013525)

Consolidation loans:

For applications received on or after 1/1/2000 and prior to 4/1/2006. [Category CC](#)

Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA. [Category CG](#)

Formula: (0.45%) plus (2.64%) less (applicable interest rate) = annual special allowance rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8th of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here.

24) PLUS loans made on or after 1/1/2000 but prior to 4/1/06. [Category CD EVAR](#)

25) PLUS loans made on or after 4/1/2006 but prior to 7/1/2006. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CH EVAR](#)

26) PLUS loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CH](#)

Attachment C –Special Allowance Rates Based on Commercial Paper Rates (cont.)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (1.19%) less (applicable interest rate) = annual special allowance rate.

For IBR the 3-month period factor for SAP is 0.004100 and for SAP Not for Profit (NFP) is 0.004475.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
5.6% ²⁷	(0.039600)	(0.009900)	(0.009525)
6.0% ²⁸	(0.043600)	(0.010900)	(0.010525)
6.8% ²⁹	(0.051600)	(0.012900)	(0.012525)

27) Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CI](#)

28) Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CI](#)

29) Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CI](#)

Attachment C –Special Allowance Rates Based on Commercial Paper Rates (cont.)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, *except* during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (1.79%) less (applicable interest rate) = annual special allowance rate.

For IBR the 3-month period factor for SAP is 0.005600 and for SAP NFP is 0.005975.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
5.6% ³⁰	(0.033600)	(0.008400)	(0.008025)
6.0% ³¹	(0.037600)	(0.009400)	(0.009025)
6.8% ³²	(0.045600)	(0.011400)	(0.011025)

30) Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CJ](#)

31) Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CJ](#)

32) Stafford loans made on or after 10/1/2007, *except* undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CJ](#)

Attachment C –Special Allowance Rates Based on Commercial Paper Rates (cont.)

PLUS loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (1.79%) less (applicable interest rate) = annual special allowance rate.

For IBR the 3-month period factor for SAP is 0.005600 and for SAP NFP is 0.005975.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
6.0% ³³	(0.037600)	(0.009400)	(0.009025)
8.5% ³³	(0.062600)	(0.015650)	(0.015275)

Consolidation loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.45%) plus (2.09%) less (applicable interest rate) = annual special allowance rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8th of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. [Category CK](#)

33) Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category CM](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates

Attachment D Includes:

Loans made on or after 1/2/2000 for which the special allowance is calculated using LIBOR.

Stafford loans (subsidized and unsubsidized):

Made on or after 1/1/2000 but prior to 4/1/2006, only during the in-school, grace, and deferment periods.

Made on or after 4/1/2006 and prior to 10/1/2007, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (1.74%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.004925.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
1.72% ³⁴	0.002500	0.000625
1.72% ³⁵	0.002500	0.000625
6.80% ³⁶	(0.048300)	(0.012075)

34) Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. [Category LA EVAR](#)

35) Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. [Category LE EVAR](#)

36) Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LE](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates (cont.)

Stafford loans (subsidized and unsubsidized):

Made on or after 1/1/2000 but prior to 4/1/2006, except during the in-school, grace, and deferment periods.

Made on or after 4/1/2006 and prior to 10/1/2007, except during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (2.34%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.006425.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
2.32% ³⁷	0.002500	0.000625
2.32% ³⁸	0.002500	0.000625
6.80% ³⁹	(0.042300)	(0.010575)

37) Stafford loans made on or after 1/1/2000 but prior to 4/1/2006. [Category LB EVAR](#)

38) Stafford loans made on or after 4/1/2006 but prior to 7/1/2006. [Category LF EVAR](#)

39) Stafford loans made on or after 7/1/2006 but prior to 10/1/2007. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LF](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates (cont.)

PLUS loans:

Made on or after 1/1/2000 but prior to 4/1/2006.

Made on or after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (2.64%) less (applicable interest rate) = annual special allowance rate.

For IBR the SAP factor for the 3-month period factor is 0.007175.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period
3.12% ⁴⁰	0.00	0.00
3.12% ⁴¹	(0.002500)	(0.000625)
8.50% ⁴²	(0.056300)	(0.014075)

Consolidation loans:

For applications received on or after 1/1/2000 and prior to 4/1/2006. [Category LC](#)

Made on/after 4/1/2006 and prior to 10/1/2007, and which are subject to the repayment of excess interest as required under the HERA. [Category LG](#)

Formula: (0.23%) plus (2.64%) less (applicable interest rate) = annual special allowance rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8th of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here.

40) PLUS loans made on or after 1/1/2000 but prior to 4/1/2006. [Category LD EVAR](#)

41) PLUS loans made on or after 4/1/2006 but prior to 7/1/2006. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LH EVAR](#)

42) PLUS loans made on or after 7/1/06 but prior to 10/1/07. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LH](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates (cont.)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, only during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (1.19%) less (applicable interest rate) = annual special allowance rate.

For IBR the 3-month period factor for SAP is 0.003550 and for SAP NFP is 0.003925.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
5.6% ⁴³	(0.041800)	(0.010450)	(0.010075)
6.0% ⁴⁴	(0.045800)	(0.011450)	(0.011075)
6.8% ⁴⁵	(0.053800)	(0.013450)	(0.013075)

43) Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LI](#)

44) Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LI](#)

45) Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LI](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates (cont.)

Stafford loans (subsidized and unsubsidized) made on or after 10/1/2007 but prior to 7/1/2010, except during the in-school, grace, and deferment periods, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (1.79%) less (applicable interest rate) = annual special allowance rate.

For the 3-month period factor for SAP is 0.005050 and for SAP NFP is 0.005425.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
5.6% ⁴⁶	(0.035800)	(0.008950)	(0.008575)
6.0% ⁴⁷	(0.039800)	(0.009950)	(0.009575)
6.8% ⁴⁸	(0.047800)	(0.011950)	(0.011575)

46) Undergraduate subsidized Stafford loans made on or after 7/1/2009 and before 7/1/2010. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LJ](#)

47) Undergraduate subsidized Stafford loans made on or after 7/1/2008 and before 7/1/2009. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LJ](#)

48) Stafford loans made on or after 10/1/2007, except undergraduate subsidized Stafford loans made on or after 7/1/2008. Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LJ](#)

Attachment D – Special Allowance Rates Based on LIBOR Rates (cont.)

PLUS loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (1.79%) less (applicable interest rate) = annual special allowance rate.

For IBR the 3-month period factor for SAP is 0.005050 and for SAP NFP is 0.005425.

Applicable Annual Interest Rate	Special Allowance at Annual Rate	Special Allowance for 3-month Period	Special Allowance for 3-month Period – NFP
6.0% ⁴⁹	(0.039800)	(0.009950)	(0.009575)
8.5% ⁴⁹	(0.064800)	(0.016200)	(0.015825)

Consolidation loans made on or after 10/1/2007 but prior to 7/1/2010, and which are subject to the repayment of excess interest as required under the HERA.

Formula: (0.23%) plus (2.09%) less (applicable interest rate) = annual special allowance rate.

Note: The interest rate for these consolidation loans is determined by taking the weighted average of the interest rates on the loans being consolidated, rounded to the nearest higher 1/8th of one percent. Therefore, due to the wide range of possible applicable interest rates, no further calculations are shown here. [Category LK](#)

⁴⁹ Because this formula resulted in an amount less than zero, these loans will not receive special allowance. The rate shown is for the recapture of excess interest. [Category LM](#)