



**FSA**  
FEDERAL  
STUDENT AID

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December 10, 2003

Subject: PLUS/SLS Variable Interest Rate for 2004 – “91-day Treasury Bill” Method

Dear Partner:

Due to the wording of the promissory notes, some loans are subject to a calendar-year adjustment of the variable interest rate, based on the “91-day Treasury Bill” method that existed in statute [section 427A(c)(4)] prior to enactment of the Higher Education Technical Amendments Act of 1987 (Pub. L. 100-50). The rate is equal to the “average of the 91-day Treasury Bills auctioned during the 12-month period ending November 30” plus 3.75 percent, not to exceed 12 percent.

Accordingly, we have determined that the variable interest rate for **calendar year 2004** is **4.81** percent [1.06% (the 91-day T-bill average) + 3.75%].

Please note that this rate applies only to PLUS/SLS promissory notes that provide for a calendar year adjustment based on the “91-day Treasury Bill” method.

Accounting Division  
Chief Financial Office

Attachment

**Attachment – 91-Day Treasury Bills (12-Month Period Ending 11/30/03)**

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<b>AUCTION DATE</b>	<b>BOND EQUIVALENT RATE</b>
<b>2002</b>	
12/2	1.231
12/9	1.215
12/16	1.219
12/23	1.207
12/30	1.207
<b>2003</b>	
1/6	1.207
1/13	1.199
1/21	1.179
1/27	1.159
2/3	1.175
2/10	1.171
2/18	1.179
2/24	1.195
3/3	1.198
3/10	1.077
3/17	1.137
3/24	1.174
3/31	1.121
4/7	1.158
4/14	1.186
4/21	1.182
4/28	1.141
5/5	1.117
5/12	1.089
5/20	1.040

<b>2003 (continued)</b>	
5/28	1.121
6/2	1.133
6/9	1.024
6/16	0.854
6/23	0.830
6/30	0.903
7/7	0.907
7/14	0.895
7/21	0.911
7/28	0.964
8/4	0.964
8/11	0.960
8/18	0.964
8/25	0.997
9/2	0.988
9/8	0.951
9/15	0.947
9/22	0.953
9/29	0.953
10/6	0.939
10/14	0.923
10/20	0.939
10/27	0.960
11/3	0.960
11/10	.0951
11/17	.0951
11/24	0.946
<b>TOTAL</b>	54.951
<b>AVERAGE: 1.06</b>	