



**Software Developer's Conference**  
**March 4, 2003**

# **Master Promissory Note Discussion**





# What MPN changes take effect with 03-04 system start up?

- Award Year in eMPN ID
- New expiration date rules
- Expanded authority for multi-year feature
- New Sub/Unsub MPN, Borrower's Rights and Responsibilities, and Plain Language Disclosure
- New PLUS MPN, Borrower's Rights and Responsibilities, Plain Language Disclosure and Disclosure Statement





## eMPN Award ID

- Beginning with COD system start up for 2003-2004 processing, the award year in the eMPN ID will increment to 04
- Award Year in eMPN ID does not prohibit linking of prior year awards to that MPN





# New Expiration Date Rules

- New rules based on the date MPN received by COD system for processing
- New rules apply to MPN where first loan linked occurs after COD system start up for 03-04
- Expiration dates are set 1 year (365 days) or 10 years (3650 days) from date received by COD





## Expanded Authority for Multi-Year Feature of MPN

- Beginning in 2003-2004, the Department has expanded the authority for multi-year (MY) use of the MPN in the Direct Loan and FFEL programs
- All Direct Loan schools may allow their student borrowers (or parent borrowers) to receive loans for subsequent academic years based upon a previously signed MPN (even if that MPN was signed before the effective date of the expanded authority)
- The expanded authority for MY use of the MPN is effective beginning with any Direct Loan for the 2003-2004 year (a loan with an Award ID that includes "04") that is processed after the COD system start up for 2003-2004





## Expanded Authority of Multi-Year Feature, continued

- Any Direct Loan school that is not a four-year college or graduate or professional school that would like to use the MY feature of the MPN beginning with the COD system start up for 2003-2004 must inform COD School Relations Center **by March 14, 2003**
  - Any Direct Loan school that is not a four-year college or graduate or professional school and that does not inform the Department **by March 14, 2003** that it would like to use the MY feature of the MPN will be identified in the COD System at start up for the 2003-2004 as using the Single-Year (SY) feature
  - New schools to the Direct Loan program that are eligible for the MY feature under the expanded authority for multi-year use of the MPN will be defaulted to use the MY feature in the COD system
  - See the Dear Colleague Letter GEN-02-10 (November 2002) for more information
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## New Sub/Unsub MPN

- Beginning with COD system start up for 2003-2004 processing, COD will print the new Sub/Unsub MPN (and Borrower's Rights and Responsibilities) for all award years
- Schools may print either the new Sub/Unsub MPN or the old Sub/Unsub MPN for prior award years
- Schools must print the new Sub/Unsub MPN for 2003-2004 award year loans





# New PLUS MPN

- Starting with award year 2003-2004 and forward, PLUS loans use a PLUS Master Promissory Note
  - Parents borrowing for more than one student must complete a separate MPN for each student
  - Student signature is NOT required for a PLUS MPN
- New PLUS Borrower's Rights and Responsibilities
- PLUS Disclosure Statements or PLUS Plain Language Disclosure Statements are required





# Single-Loan PLUS MPN

- COD does not link PLUS loans to MPN without an approved credit decision, approved credit override, or approved endorser addendum
- If PLUS loan has an accepted endorser addendum, PLUS MPN becomes a single-loan MPN
  - PLUS loan with endorser requires an MPN with no other loans previously linked to it
  - Once a PLUS loan with an endorser is linked to an MPN, the MPN becomes a single-loan MPN and no other loans can link to it
  - School software that prints MPN must have the ability to print an MPN even if the ISIR indicated PLUS MPN = A. For instance, a new PLUS MPN may need to be printed in the case of an approved endorser addendum





# What are the COD linking criteria for MPN?

- Sub/UnSub Loans

- Student's current SSN
- Student's current DOB
- First two characters Student's First Name (or, if first name blank, first two character's last name)

- PLUS Loans

- Student's current SSN
- Student's current DOB
- First two characters Student's First Name (or, if first name blank, first two character's last name)

- Parent's current SSN
- Parent's current DOB
- First two characters Parent's First name (or, if first name blank, first two character's last name)

- Loan links to open MPN with greatest expiration date
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# Resolving MPN Linking Issues

- Contact COD School Relations for assistance
  - By phone: 1-800-848-0978
  - By email: [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com)

