

- Interest rates on Federal Direct Loans are set according to a formula based on an auction of 10 year Treasury notes under section 455(b)(7) of the Higher Education Act (HEA).
- On May 11, 2021, the Treasury Department held a 10-year Treasury note auction that resulted in a high yield of 1.68%. Each rate is the sum of this index plus an add-on that varies depending on the type of loan and whether the borrower is an undergraduate or graduate/professional student.

<b>Loan Type</b>	<b>Borrower Type</b>	<b>Index 10-year Treasury note</b>	<b>Add-On</b>	<b>Fixed Interest Rate</b>
<b>Direct Subsidized Loans</b>	Undergraduate Students	1.68%	2.05%	3.73%
<b>Direct Unsubsidized Loans</b>	Undergraduate Students	1.68%	2.05%	3.73%
<b>Direct Unsubsidized Loans</b>	Graduate/Professional Students	1.68%	3.60%	5.28%
<b>Direct PLUS Loans</b>	Parents of Dependent Undergraduate Students and Graduate/Professional Students	1.68%	4.60%	6.28%

#### Origination Fees

<b>For any loan disbursement for a loan where the first disbursement is/will be...</b>	<b>The origination fee percentage for Direct Subsidized Loans and Direct Unsubsidized Loans is...</b>	<b>The origination fee percentage for Direct PLUS Loans is...</b>
On or after October 1, 2020 and before October 1, 2022	1.057%	4.228%