**FEDERAL PERKINS LOAN**

**ENTRANCE FORM AND REFERENCE INFORMATION**

**STATEMENT OF RIGHTS AND RESPONSIBILITIES**

THIS FORM MUST BE COMPLETED BEFORE YOUR FEDERAL PERKINS LOAN CAN BE DISBURSED

Name:  AU ID: P000 

Last, First, MI.

SSN: -  - Date of Birth: /  / Driver’s License: State  / 

Expected Graduation Date:  /  Email Address: 

Permanent Street Address (No Post Office Box): 

City:  State: Zip:  Home Phone #: ( ) -

Cell Phone #: ( ) -

**References: All references must be completed fully.**

Please provide 2 separate references with different U.S. addresses. The first reference should be a parent or legal guardian **regardless of your age. (If deceased or not living in the U.S. you must provide another reference).**

|  |  |  |
| --- | --- | --- |
| Reference Name | 1. | 2. |
| Address | 1. | 2. |
| City, State | 1. | 2. |
| Zip Code | 1. | 2. |
| Area Code/Phone # | 1.(  ) - | 2.(  ) - |

A student loan is a serious legal obligation. Therefore it is extremely important that you understand your rights and responsibilities as a borrower and agree to honor them.

I received a student loan and must repay my load on a timely basis as called for in the repayment agreement that was mutually agreed upon by me and my lending institution.

I must contact the lending institution, prior to due date, if any payment cannot be made for any reason.

I must inform my lending institution or billing agency, immediately, of any changes in my name or address.

I must submit timely certification when requesting deferment, and/or cancellation benefits.

I can accelerate or make payments prior to the due date without penalty.

I can make payment in excess of the amount due. This can reduce the total amount of interest I will be required to pay over the life of my loan, but may not apply automatically to my next scheduled payment.

I might be eligible to defer, postpone and/or cancel repayment of my loan. The appropriate form to request any one of these privileges can be obtained from the lending institution or billing agent.

Provisions of my promissory note may require payment of my loan in minimum monthly (or quarterly) installments.

My loan might be subject to late charges if payments are past due depending on the provisions of my promissory note.

I might be required to pay the total cost of collection and/or litigation if my loan(s) becomes past due and remains past due without appropriate arrangements to bring it current.

Depending upon the promissory note provisions, I might be subject to being reported to Credit Bureaus.

I understand that I will be contacted during the next few months, with further information and instructions.

I understand and agree that my school and anyone servicing my student loan may communicate with me at any of the numbers listed above with an asterisk (\*) or any number I provide to my school or anyone servicing my student loan in the future. I also agree that communication may be made to my telephone or mobile devise using an auto-dialer, text message, or pre-recorded message.

**I HAVE READ AND UNDERSTAND MY RESPONSIBILITY AS A BORROWER AND OPTIONS AVAILABLE TO ME.**

Student’s Signature Date

**FEDERAL PERKINS LOAN MASTER PROMISSORY NOTE**

OMB No. 1845-0074 Form Approved Expiration Date / 09/30/2018

|  |  |
| --- | --- |
| **Section A: Borrower Section** |  |
| 1. Name (last, first, middle initial) and  Permanent Address (street, city, state, zip code) | 2. Social Security Number -- |
| 3. Date of Birth (mm/dd/yyyy) // |
| 4. Home Area Code/Telephone # ( ) - |
| 5. Driver's License Number (List state abbreviation first)  / |
| **Section B: School Section** |  |
| 6. School Name & Address (street, city, state, zip code)  Averett University  420 West Main Street, Danville, VA 24541 | 7. Annual Interest Rate  5% |

[Any bracketed clause or paragraph may be included at option of institution]

***Terms and Conditions: (Note: Additional Terms and Conditions follow on subsequent pages)***

**APPLICABLE LAW** - The terms of this Federal Perkins Loan Master Promissory Note (hereinafter called the Note) and any disbursements made under this Note shall be interpreted in accordance with Part E of Title IV of the Higher Education Act of 1965, as amended (hereinafter called the Act), as well as Federal regulations issued under the Act. All sums advanced under this Note are subject to the Act and Federal regulations issued under the Act.

**REPAYMENT** - I am obligated to repay the principal and the interest that accrues on my loan(s) to the above-named institution (hereinafter called the School) over a period beginning 9 months (or sooner if I am a Less-Than-Half-Time Borrower) after the date I cease to be at least a half-time student at an institution of higher education or a comparable School outside the United States approved by the United States Department of Education (hereinafter called the Department) and ending 10 years later, unless I request in writing that my repayment period begin sooner. I understand that the School will report the amount of my installment payments, along with the amount of this loan to at least one national credit bureau. Interest on this loan shall accrue from the beginning of the repayment period. My repayment period may be shorter than 10 years if I am required by my School to make minimum monthly payments. My repayment period may be extended during periods of deferment, hardship, or forbearance and I may make graduated installments in accordance with a schedule approved by the Department. I will make my installment payments in equal monthly, bimonthly, or quarterly installments as determined by the School. The School may round my installment payment to the next highest multiple of $5. [I will make a minimum monthly repayment of $40 (or $30 if I have outstanding Federal Perkins Loans made before October 1, 1992 that included the $30 minimum payment option or outstanding National Direct Student Loans) in accordance with the Minimum Monthly Payment Section of the Terms and Conditions contained on the reverse side of this document.]

**LATE CHARGES** - The School may impose late charges if I do not make a scheduled payment when due or if I fail to submit to the School on or before the due date of the payment, a properly documented request for any of the forbearance, deferment, or cancellation benefits as described below. No late charges may exceed 20 percent of my monthly, bimonthly, or quarterly payment. The School may add the late charges to principal the day after the scheduled payment was due or include it with the next scheduled payment after I have received notice of the charge, and such notice is sent before the next installment is due.

**FORBEARANCE, DEFERMENT, OR CANCELLATION** - I may apply for a forbearance, deferment, or cancellation on my loan. During an approved forbearance period, payments of principal and interest, or principal only, may be postponed or reduced. Interest continues to accrue while my loan is in forbearance. During an approved deferment period, I am not required to make scheduled installment payments on my loan. I am not liable for any interest that might otherwise accrue while my loan is in deferment. If I meet the eligibility requirements for a cancellation of my loan, the institution may cancel up to 100 percent of the outstanding principal loan amount. Information on eligibility and application requirements for forbearances, deferments, and cancellations is provided on pages 2 through 4 of this Note. I am responsible for submitting the appropriate requests on time, and I may lose my benefits if I fail to file my request on time.

**DEFAULT** - The School may, at its option, declare my loan to be in default if (1) I fail to make a scheduled payment when due; (2) I fail to submit to the School, on or before the due date of a scheduled payment, documentation that I qualify for a forbearance, deferment, or cancellation; or (3) I fail to comply with the terms and conditions of this Note or written repayment agreement. The School may assign a defaulted loan to the Department for collection. I will be ineligible for any further federal student financial assistance authorized under the Act until I make arrangements that are satisfactory to the School or the Department to repay my loan. The School or the Department shall disclose to credit bureau organizations that I have defaulted and all other relevant loan information. I will lose my right to defer payments and my right to forbearance if I default on my loan. The School or the Department may accelerate my defaulted loan. Acceleration means that the School or the Department demands immediate payment of the entire unpaid balance of the loan, including principal, interest, late charges, and collection costs. I will lose my right to receive cancellation benefits for service that is performed after the date the School or the Department accelerated the loan.

**CHANGE OF STATUS** - I will inform the School of any change in my name, address, telephone number, Social Security Number, or driver's license number.

**AUTHORIZATION:** - I authorize the School, the Department, and their respective agents and contractors to contact me regarding my loan request or my loan(s), including repayment of my loan(s), at the current or any future number that I provide for my cellular phone or other wireless device using automated telephone dialing equipment or artificial or pre-recorded voice or text messages.

**PROMISE TO PAY:** I promise to pay the School, or a subsequent holder of the Note, all sums disbursed under the terms of this Note, plus interest and other fees which may become due as provided in this Note. **I understand that multiple loans may be made to me under this Note.** I understand that by accepting any disbursements issued at any time under this Note, I agree to repay the loans. I understand that each loan is separately enforceable based on a true and exact copy of this Note. I understand that I may cancel or reduce the amount of any loan by not accepting or by returning all or a portion of any disbursement that is issued. If I do not make any payment on any loan under this Note when it is due, I promise to pay all reasonable collection costs, including attorney fees, court costs, and other fees. I will not sign this Note before reading the entire Note, even if I am told that I am not required to read it. I am entitled to an exact copy of this Note. This loan has been made to me without security or endorsement. My signature certifies I have read, understand, and agree to the terms and conditions of this Note. **I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MASTER PROMISSORY NOTE AND THAT I MUST REPAY SUCH LOANS.**

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**Borrower’s Signature Date**

**DISCLOSURE OF LOAN TERMS** -I understand that under this Note, the principal amount that I owe, and am required to repay, will be the sum of all disbursements issued unless I reduce or cancel any disbursements. The School will determine whether to make any loan under this Note after my loan eligibility is determined. At or before the time of first disbursement for each loan, a disclosure statement will be provided to me identifying the amount of the loan and any additional terms of the loan. I may decline a loan or request a lower amount by contacting the School. Any disclosure statement I receive in connection with any loan under this Note is hereby incorporated into this Note.

**LOAN REHABILITATION** - If I default on my Federal Perkins Loan, and that loan has not been reduced to a judgment as a result of litigation against me, I may rehabilitate my defaulted loan by requesting the rehabilitation and by making a voluntary, on-time, monthly payment, as determined by the School, each month for nine consecutive months. If I successfully rehabilitate my defaulted Federal Perkins Loan, I will again be subject to the terms and conditions and qualify for any remaining benefits and privileges of this Note and the default will be removed from my credit history. **I understand that I may rehabilitate a defaulted Federal Perkins Loan only once**. After my loan is rehabilitated, collection costs on the loan may not exceed 24 percent of the unpaid principal and accrued interest as of the date following the application of the ninth consecutive payment. If I default on my rehabilitated loan, the cap on collection costs is removed.

**ASSIGNMENT** - A loan made under this Note may be assigned by the

School only to the United States, as represented by the United States Department of Education. Upon assignment, the provisions of this Note that relate to the School will, where appropriate, relate to the Department.

**HARDSHIP REPAYMENT OPTIONS** - Upon my written request, the School may extend my repayment period (1) for up to an additional 10 years if I qualify as a low-income individual during the repayment period; or (2) for the period necessary beyond my 10 year repayment period if, in the School’s opinion, prolonged illness or unemployment prevent me from making the scheduled repayments. Interest will continue to accrue during any extension of a repayment period.

If I am required by the School to make a minimum monthly payment on my loan, the School may also permit me to pay less than the minimum monthly payment amount for a period of not more than one year at a time if I experience a period of prolonged illness or unemployment. However, such action may not extend the repayment period beyond 10 years.

**GRACE PERIODS** - Unless I am a Less-Than-Half-Time Borrower, I will receive an initial nine-month grace period before the first payment of my Federal Perkins Loan must be made. After the close of an authorized deferment period, I will receive a post-deferment grace period of 6 months before my payments resume. Interest does not accrue during the initial grace period or during the post-deferment grace period. The nine-month initial grace period for Federal Perkins Loans does not include any period up to three years during which I am called or ordered to active duty for more than 30 days from a reserve component of the Armed Forces of the United States, including the period necessary for me to resume enrollment at the next available enrollment period. I must notify the school that made my loan of the beginning and ending dates of my service, and the date I resume enrollment. If I am in my initial grace period when called or ordered to active duty, I am entitled to a new nine-month initial grace period upon completion of the excluded period.

If I am a Less-Than-Half-Time Borrower with outstanding Federal Perkins Loans, my repayment period begins when the next scheduled installment of my outstanding loan is due. If I am a Less-Than-Half-Time Borrower with no other outstanding Federal Perkins Loans, my repayment begins the earlier of: 9 months from the date my loan was made, or 9 months from the date I became a less-than-half-time student, even if I received the loan after I became a less-than-half-time student.

**PREPAYMENT** - I may prepay all or any part of my unpaid loan balance, plus any accrued interest, at any time without penalty. Amounts I repay in the academic year in which the loan was made and before the initial grace period has ended will be used to reduce the amount of the loan and will not be considered a prepayment. If I repay amounts during the academic year in which the loan was made and the initial grace period has ended, only those amounts in excess of the amount due for any repayment period shall be considered a prepayment. If, in an academic year other than the academic year in which the loan was made, I repay more than the amount due for an installment, the excess funds will be used to repay principal unless I designate it as an advance payment of the next regular installment.

**MINIMUM MONTHLY PAYMENT** - If required by the School, I will make a minimum monthly payment in the amount of $40 (or $30 if I have outstanding Federal Perkins Loans made before October 1, 1992 that included the $30 minimum payment option or outstanding National Direct Student Loans) or its bimonthly or quarterly equivalent. If the total monthly payment amount on this loan and any outstanding Federal Perkins Loans I may have is less than the minimum monthly payment amount established by the School, the School may still require a minimum monthly payment amount. A minimum monthly payment amount will combine my obligation on this and all my outstanding Federal Perkins Loans, unless I have received loans with different grace periods and deferments. At my request and if I am eligible, the school may combine this minimum monthly payment amount with all my outstanding Federal Perkins Loans including those made at other schools. Under these circumstances the portions of the minimum monthly payment that will be applied to this loan will be the difference between the minimum monthly payment amount and the total amounts owed on a monthly basis on my other Federal Perkins Loans. If each school holding my outstanding Federal Perkins Loans exercises the minimum monthly payment amount option, the minimum monthly payment amount will be divided among the Schools in proportion to the loan amount advanced by each school if I request this treatment from each School.

**FORBEARANCE** - Upon making a properly documented written or oral request to the School, I am entitled to forbearance of principal and interest or principal only, renewable at intervals of up to 12 months for periods that collectively do not exceed three years, under the following conditions: If my monthly Title IV loan debt burden equals or exceeds 20 percent of my total monthly gross income; if the Department authorizes a period of forbearance due to a national military mobilization or other national emergency; or if the School determines that I qualify due to poor health or for other reasons, including service in AmeriCorps. Interest accrues during any period of forbearance.

**DEFERMENTS** - To apply for a deferment, I must request the deferment from the school. My request does not have to be in writing, but the School may require that I submit supporting documentation to prove my eligibility for a deferment. I may defer making scheduled installment payments and will not be liable for any interest that might otherwise accrue (1) during any period that I am enrolled and attending as a regular student in at least a halftime course of study at an eligible School (if the School obtains student enrollment information showing that I qualify for this deferment, the School may grant the deferment without my request providing the School notifies me and gives me the option to cancel the deferment); (2) during any period that I am enrolled and attending as a regular student in a graduate fellowship program approved by the Department; engaged in graduate or post-graduate fellowship-supported study outside the US; enrolled and attending a rehabilitation training program for disabled individuals approved by the Department; or engaged in public service that qualifies me to have part or all of my loan canceled; (3) for a period not to exceed three years during which I am seeking but unable to find full-time employment; (4) for a period not to exceed three years, for up to one year at a time, during which I am experiencing an economic hardship as determined by the School. I may qualify for an economic hardship deferment for my Federal Perkins Loan if I provide my school with documentation showing that I have been granted such a deferment under the William D. Ford Federal Direct Loan or Federal Family Education Loan program for the period of time for which I am requesting an economic hardship deferment for my Federal Perkins Loan. If I am serving as a volunteer in the Peace Corps, I am eligible for an economic hardship deferment for my full term of service. An economic hardship deferment based on service as a Peace Corps volunteer may not exceed the lesser of three years or my remaining period of economic hardship eligibility; (5) , during any period when I am serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency (as these terms are defined in 34 CFR 674.34(h) of the Perkins Loan Program regulations) and, , for an additional 180-day period following the demobilization date for my service; and (6) for at least a 30-day period, for up to 13 months following the conclusion of my active duty military service and initial grace period or until I return to enrolled student status, whichever is earlier, if I am a member of the National Guard or other reserve component of the Armed Forces of the United States or a member of such forces in retired status (as these terms are defined in 34 CFR 674.34(i)(2)) and I was enrolled in a program of instruction at the time I was called to active duty, or within six months prior to the time I was called to active duty. Active duty does not include active duty for training or attendance at a service school or employment in a full-time, permanent position in the National Guard unless I am reassigned from that position to another form of active duty service.

I may continue to defer making scheduled installment payments and will not be liable for any interest that might otherwise accrue for a six-month period immediately following the expiration of any deferment period described in this section.

I am not eligible for a deferment while serving in a medical internship or residency program.

**CANCELLATIONS** - Upon making a properly documented written

request to the School, I am entitled to have up to 100 percent of the original principal loan amount of this loan canceled if I perform qualifying service in the areas listed in paragraphs A through K below. Other cancellation percentages apply if I perform qualifying service in the areas listed in paragraphs L and M, as explained in those paragraphs. Qualifying service must be performed after the enrollment period covered by the loan.

1. **Teaching** • a full-time teacher in a public or other nonprofit elementary or secondary school or in a school or location operated by an educational service agency that has been designated by the Department in accordance with the provisions of section 465(a)(2) of the Act as a school with a high concentration of students from low-income families. An official Directory of designated low-income schools and locations operated by educational service agencies is published annually by the Department. • a full-time special education teacher in a public or nonprofit elementary or secondary school system, including a system administered by an educational service agency; or • a full-time teacher, in a public or other nonprofit elementary or secondary school system who teaches mathematics, science, foreign languages, bilingual education, or any other field of expertise that is determined by the State Department of Education to have a shortage of qualified teachers in that State.

1. **Early Intervention Services** • a full-time qualified professional provider of early intervention services in a public or other nonprofit program under public supervision by a lead agency as authorized by section 632(5) of the Individuals with Disabilities Education Act. Early intervention services are provided to infants and toddlers with disabilities.

1. **Law Enforcement or Corrections Officer** • a full-time law enforcement officer for an eligible local, State, or Federal law enforcement agency; or • a full-time corrections officer for an eligible local, State, or Federal corrections agency.

1. **Nurse or Medical Technician** • a full-time nurse providing health care services; or • a full-time medical technician providing health care services.

1. **Child or Family Service Agency** • a full-time employee of an eligible public or private non-profit child or family service agency who is directly providing or supervising the provision of services to high-risk children who are from low-income communities and the families of such children.

1. **Attorneys Employed in a Defender Organization** • a full-time attorney employed in a defender organization established in accordance with section 3006(g)(2) of title 18, U.S.C.

1. **Firefighters** • a full-time firefighter for a local, State or Federal fire department or fire district.

1. **Tribal College or University Faculty** • a full-time faculty member at a Tribal College or University, as that term is defined in section 316 of title 20, U.S.C.

1. **Librarian** • a full-time librarian who has a master’s degree in library science and is employed in an elementary or secondary school that is eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965, or who is employed in a public library that serves a geographic area that contains one or more such schools.

1. **Speech-Language Pathologist** • a full-time speech-language pathologist who has a master’s degree and who is working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Act of 1965.

1. **Service in an Early Childhood Education Program** • a full-time staff member in the educational component of a Head Start program, or a fulltime staff member in a pre-kindergarten or child care program that is licensed or regulated by the State. The program must be operated for a period comparable to a full School year and must pay a salary comparable to an employee of a local educational agency.

**Cancellation Rates** - For each completed year of service under paragraphs A, B, C, D, E, F, G, H, I, and J a portion of this loan will be canceled at the following rates:

• 15 percent of the original principal loan amount for each of the first and second years; • 20 percent of the original principal loan amount for each of the third and fourth years; and • 30 percent of the original principal loan amount for the fifth year.

For each completed year of service under paragraph K (Service in an Early Childhood Education Program), a portion of this loan will be canceled at the rate of 15 percent of the original principal loan amount .

1. **Military Cancellation** - Upon making a properly documented written request to the School, I am entitled to have up to100 percent of the principal amount of this loan canceled for qualifying service performed after the enrollment period covered by the loan as: • a member of the Armed Forces of the United States in an area of hostilities that qualifies for special pay under section 310 of Title 37 of the United States Code.

**Cancellation Rate** - For each completed year of service under the Military

Cancellation provision. This loan will be canceled at the following rates: • 15 percent of the original principal loan amount for each of the first and second years; • 20 percent of the original principal loan amount for each of the third and fourth years; and • 30 percent of the original principal loan amount for the fifth year.

1. **Volunteer Service Cancellation** - Upon making a properly documented written request to the School, I am entitled to have up to 70 percent of the original principal loan amount of this loan canceled for qualifying service performed after the enrollment period covered by the loan as: • a volunteer under the Peace Corps Act; • a volunteer under the Domestic Volunteer Service Act of 1973 (ACTION programs).

**Cancellation Rate** - For each completed year of service under the Volunteer Service Cancellation provision, a portion of this loan will be canceled at the following rates:

• 15 percent of the original principal loan amount for each of the first and second 12-month periods of service; and • 20 percent of the original principal loan amount for each of the third and fourth 12-month periods of service.

**DISCHARGES** - My obligation to repay this loan may be partially or totally discharged for the reasons specified in paragraphs A, B, C, and D below.

1. **Death** - In the event of my death, the School will discharge the total amount owed on this loan.

1. **Total and Permanent Disability** - Upon making a properly documented written request to the U.S. Department of Education, the total amount owed on this loan may be discharged if the Department determines that I am totally and permanently disabled as defined in the Act and I meet certain other requirements.

1. **School Closure** - Under certain conditions, my total liability will be discharged, including refunding any amounts I have already paid on the loan, if I was unable to complete the program in which I was enrolled because my School closed.

1. **Bankruptcy** -Under certain conditions, my loan may be discharged in bankruptcy. In order to discharge a loan in bankruptcy, I must prove undue hardship in an adversary proceeding before the bankruptcy court.

# Disclosure of Information

**STUDENT LOAN OMBUDSMAN** -If I dispute the terms of my

Federal Perkins Loan in writing to my School, and my School and I are unable to resolve the dispute, I may seek the assistance of the Department of Education’s Student Loan Ombudsman. The Student Loan Ombudsman will review and attempt to informally resolve the dispute.

# Important Notices

**Privacy Act Notice**

The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authority for collecting the requested information from and about you is §461 et seq. of the Higher Education Act (HEA) of 1965, as amended (20 U.S.C.

1087aa et seq.) and the authorities for collecting and using your Social Security Number (SSN) are §484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Perkins Loan (Perkins) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the Perkins Program, to permit the servicing of your loan(s), and, if it becomes necessary, to locate you and to collect and report on your loan(s) if your loan(s) become delinquent or in default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case by case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loan(s), to enforce the terms of the loan(s), to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions. To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions efficiently to submit student enrollment status, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

**Financial Privacy Act Notice**

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), the U.S. Department of Education will have access to financial records in your student loan file maintained by the lender in compliance with the administration of the Federal Perkins Loan Program.

**Paperwork Reduction Notice**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0074. Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection. The obligation to respond to this collection is required to obtain or retain benefit (Higher Education Act of 1965, as amended (20 U.S.C. 1087dd)). **If you have any comments or concerns regarding the status of your individual submission of this form, please contact your lender directly.**

**Notice About Subsequent Loans Made Under This Master Promissory Note**

This Note authorizes the School to disburse multiple loans during the multi-year term of this Note upon my request and upon the School's determination of my loan eligibility.

Subsequent loans may be made under this Note for the same or subsequent periods of enrollment at this School. The School, however, may, at its discretion, close this Note at any time and require me to sign a new Note for additional disbursements. I understand that if my School chooses to make subsequent loans under this Note, no such loans will be made after the earliest of the following dates: (i) the date the School receives my written notice that no further loans may be disbursed under this Note; (ii) twelve months after the date of my signature on this Note if no disbursement is made during such twelve-month period; or (iii) ten years after the date of my signature on this Note, or the date the School receives this Note.

Any amendment to the Act governs the terms of any loans disbursed on or after the effective date of such amendment, and such amended terms are hereby incorporated into this Note.

The **Federal Perkins Loan Program Extension Act of 2015** allows schools to make Perkins Loans to undergraduate students through **September 30, 2017**. (If an eligible undergraduate student borrower receives a disbursement of a Perkins Loan after June 30, 2017, and before October 1, 2017 for the 2017-2018 award year the student may receive any subsequent disbursements of that Perkins Loan.) The Perkins Loan Program is set to expire after this time; however, programs are always subject to new legislation.

<http://www.ifap.ed.gov/dpcletters/attachments/GEN1605.pdf>

**FEDERAL PERKINS STUDENT LOANS FACT SHEET**

This fact sheet summarizes your benefits under the Federal Perkins Student Loan Program. For more information about loan benefits, visit Heartland ECSI (formerly Campus Partners) at [www.campuspartners.com](http://www.campuspartners.com), <https://www.mycampusloan.com/> or 1-800-334-8609.

**ACCELERATED PAYMENTS**

You may pay future installments without penalty; however, these accelerated payments will not apply to future installments unless you do the following: 1) attach a written request to your payment; and 2) send an amount sufficient to cover all amounts due plus the complete amount for future installments you want to pay. You also may check a box on your billing statement or on mycampusloan.com to apply the amount paid to future installments.

NOTE: Late charges and collection fees that become due might preclude accelerated payments from covering the installments you intend to pay. Payments in excess of the amount due that do not cover complete future installments will be applied to the loan principal balance, thus reducing any future interest that will accrue.

**DEFERMENT OF PAYMENTS**

You may request to defer repayment of your loan(s) to interrupt your repayment period. To apply for a deferment of payments, you must complete a deferment request form, and submit this form to the school where you received the loan(s) or to its billing servicer, Campus Partners. You should complete and mail this form immediately upon receipt of the first bill after you are eligible to request deferment of payments. If you are unable to make your loan payments and if you are not eligible for any of the following deferments, you should contact the school where you received the loan(s).

**Federal Perkins Loans Made July 1, 1993 and After.** If you received your loan(s) on or after July 1, 1993, you are eligible to apply for deferment benefits if you are:

1. Enrolled and in attendance as a regular student in at least a half-time course of study in an institution of higher education;

2. Enrolled and in attendance as a regular student in an approved fellowship program or approved rehabilitation training program for disabled individuals (does not include a medical internship or residency program, except a residency in dentistry);

3. Unemployed and unable to find full-time employment (3-year limit);

4. Experiencing an economic hardship (3-year limit);

5. Engaged in services described on the reverse side of this Fact Sheet, under the Cancellation Benefits; or

6. Serving in a residency program in dentistry.

**Federal Perkins Loans Made From July 1, 1987 through June 30, 1993.** If you received your loan(s) within these dates, you are eligible to apply for deferment benefits for the circumstances listed below. You may also apply for the deferments listed above for loans made July 1, 1993 and after, but only for periods beginning October 7, 1998 and after.

1. Enrolled and in attendance as a regular student in at least a half-time course of study in an institution of higher education.

2. Serving in an internship program required for certification or a residency program in a hospital or health-care facility offering postgraduate training and leading to a degree/certificate awarded by an institution of higher education. (2-year limit)

3. Active duty as a member of the Armed Forces or in the Commissioned Corps of the Public Health Service. (3-year limit)

4. Volunteer service under the Peace Corps Act or Domestic Volunteer Service Act of 1973 (VISTA). (3-year limit)

5. Full-time volunteer for at least one year in a non-profit organization comparable to the Peace Corps. (3-year limit)

6. Temporary total disability of the borrower or spouse. (3-year limit)

7. Temporary total disability of a dependent in your care preventing you from attending school or from being employed. (3-year limit)

8. Active duty in the National Oceanic and Atmospheric Administration Corps. (3-year limit)

9. Mother of preschool age children entering or re-entering the work force and making less than $1 more than the federal minimum wage. (12-month limit)

10. Parental leave (6-month limit) if you are pregnant or are caring for your newborn or newly adopted child, you are not gainfully employed or not attending school, and you have attended an eligible school at least half-time during the last six months.

**Federal Perkins Loans Made Prior to July 1, 1987.**

1. You may apply for deferment of payments under the circumstances listed above (Loans made from July 1, 1987 through June 30, 1993) except those listed under numbers 8 through 10.

2. You may also apply for the six deferments listed above for loans made July 1, 1993 and after, but only for periods beginning October 7, 1998 and after.

**Federal Perkins Loans Effective October 1, 2007.**

1. Regardless of when your loan was made, effective October 1, 2007, you may be eligible for a deferment if you are serving on active duty or performing qualifying National Guard duty during a war or other military operation or national emergency.

**PARTIAL LOAN CANCELLATION BENEFITS**

You are eligible to apply for partial cancellation of loan principal and accrued interest on your Federal Perkins, National Direct, or National Defense student loan if you meet one of the eligibility criteria described below, regardless of the provisions listed in your promissory note. **However, if the service or employment for which you are claiming partial loan cancellation is not included in your promissory note, then the service or employment must start October 7, 1998 or after. In this case, teachers employed in a year-around program may qualify if the school year began on or after July 1, 1998.**

**Teacher Cancellations**

A teacher is defined as a professional employee of a school or school system working **full-time,** who is devoted to providing classroom instruction or related services in support of the educational program. Up to 100% of the outstanding loan principal balance may be cancelled for the following three types of teaching positions, at the rate of 15% the first and second year, 20% the third and fourth year, and 30% the fifth year.

1. **Full-time teacher** in a public or nonprofit elementary or secondary school designated by the Secretary of Education as having a high concentration of low-income students, and in which more than 30 percent of the school's enrollment is Title I children, according to the list published annually in the *Federal Register*.

2. **Full-time special education teacher**, including teachers of infants, toddlers, children and youth with disabilities in a public or nonprofit elementary or secondary school system. The applicant must specify what percentage of students or clients in the class are disabled.

3. **Teacher in a field of expertise** such as mathematics, science, foreign languages, bilingual education or other fields where the state education agency determines there is a shortage of qualified teachers.

**Employment Cancellations**

Up to 100% of the outstanding loan principal balance may be cancelled for the following four types of employment services, at the rate of 15% the first and second year, 20% the third and fourth year, and 30% the fifth year. The employment must be full time and for a complete academic year or its equivalent.

1. **Service as a law enforcement or corrections officer** in an eligible local, state or federal agency. The agency must be publicly funded and its principal activities must pertain to crime prevention, control, or reduction or enforcement of criminal law, and your principal responsibilities are unique to the criminal justice system. The applicant must be a sworn law enforcement officer, corrections officer, or a person whose principal responsibilities are unique to the criminal justice system, and are considered essential in the performance of the agency’s primary mission.

2. **Full-time employment as a nurse or medical technician** providing health care services for 12 consecutive months. A medical technician is an allied health professional (working in fields such as therapy, dental hygiene, medical technology, or nutrition) who is certified, registered, or licensed by the appropriate State agency. An allied health professional assists, facilitates, or complements the work of physicians and other specialists in the health care system.

3. **Providing or supervising the provision of services to high-risk children** from low-income communities and families of such children, and working full time in a public or private nonprofit child or family service agency for 12 consecutive months.

4. **Qualified professional provider of early intervention services** as defined in Section 632 of the Individuals with Disabilities Education Act, working full-time for 12 consecutive months in a public or other nonprofit program.

**Service Cancellations**

1. **Active duty service in the military** for a full year in an area of hostilities that qualifies for special pay under Section 310 of Title 37 of the U.S. Code. Up to 50% of the outstanding loan principal balance may be cancelled at the rate of 12½% for each year of qualifying service. For service that includes 8/14/08, or begins on or after that date, this same service is eligible for cancellation at the following rates: 15% the first and second year, 20% the third and fourth year, and 30% the fifth year.

2. **Volunteer service under the Peace Corps Act or Domestic Volunteer Service Act of 1973** ACTION programs. Up to 70% of the outstanding loan principal balance may be cancelled, at the rate of 15% for the first two years of service, and 20% for the third and fourth year.

3. **Full-time service in a Head Start program** carried out under the Head Start Act (formerly under the Economic Opportunity Act of 1964), and operated for a complete academic year or its equivalent. The applicant must be a full-time educational staff member, and must not earn more than a comparable employee working in the local educational agency. Validation must be attached. Up to 100% of the outstanding loan principal balance may be cancelled, at the rate of 15% for each year of service.

**Additional Cancellation Benefits - Service That Includes 8/14/08 or After**

1. **Full-time service in a pre-kindergarten program that is state-funded or child care program** that is licensed or regulated by the state and is operated for a complete academic year or its equivalent.

2. **Full-time attorney employed in a defender organization** established in accordance with Section 3006 A(g)(2) of Title 18, U.S. Code.

3. **Full-time firefighters** employed by a local, State, or Federal fire department or fire district.

4. **Full-time faculty member at a Tribal College or University**, as defined in section 316 of the Higher Education Act of 1965.

5. **Librarians with a master’s degree in library science** and employed in an elementary or secondary school that is eligible for assistance under Part A of Title I of the Elementary and Secondary Education Act (ESEA) of 1965 or in a public library that serves a local school district that contains one or more schools eligible for assistance under Part A of Title I of the ESEA.

6. **Full-time speech language pathologist** with a master’s degree and working exclusively with schools that are eligible for assistance under Title I of the ESEA of 1965.

**OTHER IMPORTANT INFORMATION**

• You must pay back your loan. Regardless of your circumstances – whether or not you finish school, or your education didn’t meet your expectations, or you do not get a job after you graduate – you are responsible for paying your loan in full. Paying on time establishes good credit for future borrowing. Failure to pay will place you in default and will negatively impact your credit rating. • You are also obligated to repay the full amount of your loan even if you did not receive educational or other services purchased from your school. • Your school is your Federal Perkins Loan lender. Be sure to stay in touch with your school, or their billing service, and inform them of any changes such as name, address, phone number, employment, etc.

**FEDERAL PERKINS MASTER PROMISSORY NOTE**

The Federal Perkins Loan Master Promissory Note is a binding legal agreement indicating your promise to repay your student loan according to the repayment terms outlined in the note.

Federal Perkins MPNs can be established using the multi-year feature, allowing the school to make annual awards to the student borrower without the need to sign a new promissory note each year or as a single-year note requiring a new promissory note be signed each year.

The multi-year MPN will be revoked immediately upon any of the following events: - The date your school receives your written notification that no further loans may be distributed under the note - 12 months from the date you signed the note if no loan disbursements have been made - 10 years from the date you signed the MPN

**PLANNING FOR REPAYMENT**

After leaving school, you will enter a nine-month grace period. During this time, you do not have to make payments to your Federal Perkins Loan (although you may repay your loan at any time without penalty) and interest does not accumulate. To help with planning, create a budget, consider that your take home pay will be about 70% of your gross monthly salary, establish a savings account, and plan for big expenses.

During the grace period, you will receive a repayment schedule explaining the interest rate, payment amounts, and payment methods available to you. Billing methods and payment options may include:

* **Billing Statements** – Sent each month or quarter as a reminder
* **Coupon Books** – You receive a supply of coupons to send in with each monthly or quarterly payment
* **AutoDraft via the ACH (Automated Clearing House)** – Monthly payments are automatically deducted from your checking or savings account each month or quarter
* **E-Bill**- Email notification that allows you to login to a secure web site to view and pay your bill online.
* **E-Pay** – Online payments option

**NATIONAL STUDENT LOAN DATA SYSTEM (NSLDS)** The National Student Loan Data System (NSLDS) is the U.S. Department of Education's central database for student aid. It receives data from schools, guaranty agencies, the Direct Loan program, the Pell Grant program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and Pell grants that are tracked through their entire cycle, from aid approval through closure through its Web site, http://www.nslds.ed.gov. You can use the Web site to make inquiries about your Title IV loans and/or Pell grants. The site displays information on loan and/or grant amounts, outstanding balances, loan statuses, and disbursements.

**LOAN DEFAULT** If you fail to repay your Federal Perkins loan as you agreed upon in the promissory note, your loan could default. If you are having difficulty making your loan payments, contact your school or its billing service immediately. Even if you skip one payment, you may be considered in default and face serious consequences, including:

• Demand for payment in full • Denial of future student financial aid • Garnishment of wages • Negative credit rating for at least 7 years • Inability to obtain credit for a house or car • Seizure of tax refunds • Loan referred to a collection agency, with collection costs added to your balance • Lawsuits against you for the outstanding balance • Withholding of information about your education by your school • Professional license withheld

A Federal Perkins loan is borrowed money and must be paid back even if you did not complete your education, were dissatisfied with your education, or do not get a job after you graduate.

**LOAN REHABILIATION** The Higher Education Amendments of 1998 created a Loan Rehabilitation program for Perkins Loans. Under this program you have the opportunity to request the rehabilitation of a defaulted loan. After making nine (9) on-time, consecutive monthly payments in an amount agreed to by your lending institution, your loan will be returned to regular repayment status, the default will be removed from your credit history, and you will be again eligible to borrow Title IV funds.

**FORBEARANCE** Forbearance is an alternative option if you do not qualify for deferment and you are having difficulty making your loan payment. Your school or servicer may grant a temporary postponement or reduction of loan payment for a limited and specified period or an extension of the time to repay your loans. You may qualify if you request forbearance and provide documentation to support the request. The most common reasons for forbearance include: • Inability to make your loan payments, but not being able to qualify for deferment • Service in a medical internship or residency • Service under the National and Community Trust Act of 1993 • Obligation to make payments on federal student loans equal to or greater than 20% of your total monthly gross income (for up to three years)

You are responsible for the interest that accrues during the forbearance period. Contact your school or billing service to request forbearance.

**FEDERAL INCOME TAX BENEFITS** Taxpayers may be eligible to deduct up to $2,500 of qualified student loan interest paid and/or other amounts paid such as origination fees and capitalized interest. Certain requirements must be met in order to take advantage of some or all of this deduction. For more information about this deduction and what are considered qualified higher education expenses, please refer to Chapter 4 of Publication 970, Tax Benefits for Higher Education. Publication 970 is available for download from the IRS web site at www.irs.gov, or you may request a copy by calling (800) 829-3676. Also, consult your tax advisor for guidance concerning how you may benefit from the Federal income tax deduction for student loan interest paid. 4884 (06-14)

**LOAN CONSOLIDATION** If you have substantial student loan debt or various loan types, consolidation may be an option for you. With consolidation, all of your eligible loans are combined into one loan, with one monthly payment and up to 30 years to repay. You may also be able to change your repayment plan. Consolidation can save you money on your monthly payments, but you will also pay more interest over the life of the loan. **By consolidating your Federal Perkins loan, you could lose certain deferment options and interest-free periods, such as your grace period. You will also be ineligible for any Federal Perkins loan cancellation provisions**. You should also ask the consolidator important questions about origination fees, prepayment penalties, and the maximum interest rate charged. We recommend that you avoid any lender that charges a prepayment fee. Borrower benefit programs will vary among consolidating lenders. Defaulted loans may also be included in consolidation if you have made satisfactory arrangements to pay.

**RIGHTS AND RESPONSIBILITIES You have the right to**: • A copy of your promissory note • A copy of your Disclosure Statement • A repayment schedule before the loan enters repayment • Receive a deferment or forbearance if you meet qualifications • Prepay your loan without penalty • Receive notification if your loan is sold or transferred • Combine your loans into one loan with one payment • Receive notification from the school when your loan is paid in full

**You have a responsibility to:**

* Repay your loan in full, including interest and fees
* Notify your school if you:
* Change your name, address or phone number
* Transfer to another school
* Leave school for any reason
* Drop below half time
* Are having trouble with your loan payments
* Experience any other change that affects your loan status

**COMMUNICATE WITH YOUR SCHOOL OR BILLING SERVICE** Write your Account Number and name on everything that you send your school or billing service. • Make detailed notes of all conversations you have with your school • Report any change in your enrollment status, mailing address, name, etc. to your school as soon as you can • Let your school or billing service know of any special circumstances you are facing

Contact your school or billing service if you have concerns or disputes about the terms of your student loan(s).

**DEPARTMENT OF EDUCATION OMBUDSMAN**

If you are unable to resolve a dispute with your lending institution concerning the terms of your student loan, you may contact the Department of Education Ombudsman via the internet at https://studentaid.ed.gov/sa/repay-loans/disputes/, by telephone at 877-557-2575, by fax: 606-396-4821, or by mail at the following address:

Ombudsman Group

P.O. Box 1843

Monticello, KY 42633

The Department of Education also provides you with additional information on repaying your loans. Publications available that you may find helpful can be viewed at: http://www.studentaid.ed.gov/pubs/.

To obtain a copy of your promissory note, please contact the officials at the university that granted your loan.

For more information about loan benefits, visit Heartland ECSI (formerly Campus Partners) at [www.campuspartners.com](http://www.campuspartners.com), <https://www.mycampusloan.com/> or 1-800-334-8609.

The **Federal Perkins Loan Program Extension Act of 2015** allows schools to make Perkins Loans to undergraduate students through **September 30, 2017**. (If an eligible undergraduate student borrower receives a disbursement of a Perkins Loan after June 30, 2017, and before October 1, 2017 for the 2017-2018 award year the student may receive any subsequent disbursements of that Perkins Loan.) The Perkins Loan Program is set to expire after this time; however, programs are always subject to new legislation. <http://www.ifap.ed.gov/dpcletters/attachments/GEN1605.pdf>.