

**This is only a summary of your rights and responsibilities. For more detailed information, consult your Perkins Loan promissory note or the holder of your loan.**

It is important for you to read and fully understand the specific language of the master promissory note you have or will sign electronically. By signing the promissory note and accepting the funds referred to in the note, you are agreeing to repay the loan in full. You are also obligated to apply the proceeds to educational expenses. Your note explains what you have agreed to do by accepting the loan. It is your responsibility to become familiar with all information in the note, especially the following provisions:

1. The Federal Perkins Loan Program Extension Act of 2015 permits colleges and universities across the country to resume offering Federal Perkins Loans to eligible students through September 30, 2017.
2. For eligible graduate students, Perkins loans will be available for the 2016-17 award year only. In order for continuing graduate students to receive the Spring 2017 Perkins, they must receive the Fall 2016 disbursement after June 30, 2016 and before October 1, 2016.
3. The annual simple interest rate is 5% during the repayment period.
4. The Perkins Loan does not collect interest while you are attending school half-time or more.
5. At UW- Stevens Point, the typical Perkins Loan is \$2,000 (or less) for an academic year. The federal program limits are \$5,500 per year for undergraduate students and \$8,000 per year for graduate students, with cumulative limits of \$27,500 for undergraduate loans and \$60,000 for undergraduate and graduate loans combined. However, many schools do not have sufficient funds to award the Perkins Loan at the annual maximums.
6. The principal amount (amount you were loaned) will be sent to you in a disclosure notice.
7. The Perkins Loan is a desirable student loan because special cancellation features apply.
  - A portion of your loan will be cancelled for each complete academic year you are a full-time teacher of special-needs children or full-time teacher in a designated elementary or secondary school that serves low income students.
  - You may also qualify for cancellation if you are a full-time teacher of mathematics, science, foreign languages, bilingual education, or any field of expertise determined by the state education agency to have a shortage of qualified teachers.
  - A portion of your loan will be cancelled for each year of full-time work in specified early intervention services providing services to infants and toddlers with disabilities. After the seventh year, your loan will be totally cancelled.
  - Cancellation provisions are available for law enforcement/correction officers. To qualify you must be employed by an eligible local, state, or federal agency engaged in crime prevention or law enforcement.
  - Cancellation benefits are available for nurse and medical technicians and individuals employed with a public or nonprofit child or family services agency and are providing or supervising services to high-risk children and their families from low-income communities.
  - Up to 70% of your loan can be cancelled for service as a Peace Corps or VISTA volunteer—30% during the first two years and 40% for the next two years.



- If you enter the U.S. Armed Services after receiving your loan, you may qualify for partial cancellation— 12% per year for up to four years. Eligibility is limited to those serving in an area of hostility and receiving special pay under Section 310 of Title 37 of the United States Code. You must serve under these conditions for 12 consecutive months for each cancellation.
  - You are responsible for submitting the appropriate cancellation paperwork on time. You may lose your right to receive cancellation benefits if your account is defaulted and your loan has been accelerated.
  - Other cancellation opportunities are available. Contact the Perkins Loan Office for more information.
8. Perkins Loans are reported to a credit bureau or credit reporting agency beginning as soon as you accept your first Perkins Loan. Your loan will also be recorded in the National Student Loan Data System (NSLDS) and will be accessible to guarantee agencies, lenders, and institutions authorized to use the data system.
    - Failure to submit your cancellation forms by the due dates may result in the reporting past due information to the Credit Bureau on our Federal Perkins Loan.
  9. Repayment of a Perkins Loan begins nine months after you cease to be enrolled at least half-time, at which time interest will begin to be charged.
  10. The minimum monthly payment is \$40, paid quarterly and the maximum timeframe within which the loan must be repaid is 10 years.
  11. The total cumulative balance and estimated monthly payment figures are available from the Perkins Loan Office upon request. You may calculate your estimated monthly payment by multiplying the total Perkins Loan amounts borrowed times .0106067. Keep in mind that you will have to pay at least the minimum payment (as mentioned in #10).
  12. Payments on the loan will be made to the servicer of your loan: UW-Stevens Point L9, C/O Heartland Campus Solutions/ECSI, P.O. Box 718 Wexford, PA 15090.
  13. You may repay the loan at any time without penalty. You may also be eligible to have your payments deferred for a number of reasons. The Perkins Loan also provides you with an opportunity to cancel all or part of your loan for certain types of employment or service. Refer to your promissory note for deferment and cancellation provisions, or contact the Perkins Loan Office at 715-346-3473 for details. (See #7)
  14. If you fail to make a loan payment when it is due, you may go into "default." This designation has serious consequences. Default will cause you to lose your deferment and cancellation benefits. Furthermore, your loan will be accelerated and referred to a collection agency which means that the entire principal balance, interest, late charges and collection costs will be due upon demand. A default classification will also prohibit you from receiving federal student aid in the future should you decide to return to school.
  15. You also have the option of consolidating your student loans. A Consolidation Loan is designed to help borrowers simplify loan repayment by allowing the borrower to consolidate several types of federal loans into one loan. However, there are some consequences to consolidating different types of loans together: the interest rate of a consolidated loan may be a weighted average of the different loans' original individual interest rates. Also, if you consolidate your Perkins Loan, you will forfeit the special cancellation features of the loan (see #7). Consolidation Loans can be obtained through participating lenders, guarantee agencies and, under certain conditions, through the federal government.

**You may contact Perkins Loan Office at 715-346-3473 for any clarification regarding your rights and responsibilities.**