

FEDERAL PERKINS LOAN Terms and Conditions

I. General Information:

A student accepting a Federal Perkins Loan offer is required to return a complete copy of this application for each new Perkins Loan. A Perkins Loan Master Promissory Note must be signed and submitted to Scholarships & Financial Aid prior to receiving the first Perkins Loan disbursement and will be valid for 10 years.

This is a need-based program and may affect eligibility for other need-based aid.

The Perkins Loan Program will close effective September 30, 2017, as required by the Federal Perkins Loan Program Extension Act of 2015. No new Perkins loans may be made after this date.

II. Disbursement of Loan Funds

Following the review and acceptance of the loan application, equal portions of the loan per enrollment period will be disbursed through Student Business Services. Loan funds will first be applied to Title IV eligible charges before any loan proceeds are refunded to the student.

III. Student Responsibilities:

This loan may be used ONLY for education purposes.

The student is obligated to keep the University informed of changes in name, address, SS#, or status.

At the time of graduation or withdrawal from school, the student must arrange for repayment of this loan with ECSI, the loan servicer.

The student is under full obligation to repay the loan except for the conditions specified on the promissory note. Since this will probably be his/her first experience with installment credit, the manner in which he/she handles this obligation cannot be over-emphasized.

IV. Interest Rate

The interest rate on the Perkins Loan is 5% per annum beginning on the date of commencement of repayment. The interest rate on Direct Loans is:

Loan Type	Interest Rate Formula	Fixed Interest Rate for 2015-2016 Loans	Fixed Interest Rate for 2016-2017 Loans
Subsidized Direct Loans	T* plus 2.05%	4.29%	Available May 2016
Unsubsidized Direct Loans (Undergraduate)	T* plus 2.05%	4.29%	Available May 2016
Unsubsidized Direct Loans (Graduate/Professional)	T* plus 2.05%	5.84%	Available May 2016

^{*} T equals the 10 year T-Bill rate

V. Loan Conditions:

You have been awarded the Perkins Loan after being awarded all Direct Subsidized and Unsubsidized Loans for which you are eligible in the current award year.

Aggregate Perkins Loan Limits:

Undergraduate - \$5,500 per year of undergraduate study

\$27,500 maximum as undergraduate

Graduate/Professional - \$8,000 per year of graduate study

\$60,000 maximum as graduate

(Includes amounts borrowed under Perkins or National Direct Student Loan Program (NDSLP) during

undergraduate study.)

Aggregate Direct Loan Limits:

	Dependent Undergraduate Students		Independent Undergraduate Students		
	Subsidized Loan	Additional Unsubsidized	Subsidized Loan	Additional Unsubsidized	
Freshman	\$3,500	\$2,000	\$3,500	\$6,000	
Sophomore	\$4,500	\$2,000	\$4,500	\$6,000	
Junior/Senior	\$5,500	\$2,000	\$5,500	\$7,000	
U0 Preparatory	\$2,625	\$0	\$2,625	\$6,000	
G6 Preparatory and Teacher Certification Students	\$5,500	\$0	\$5,500	\$7,000	
Maximum Total Debt	\$31,000 (\$23,000 may be Subsidized)		\$57,500 (\$23,000 may be Subsidized)		

Graduate/Professional Students			
Unsubsidized Loan	\$20,500/Academic Year *		
Maximum Total Debt	\$138,500 (\$65,500 may be subsidized) *		

^{*} Graduate and professional students enrolled in certain health profession programs may receive additional Direct Unsubsidized Loan amounts each academic year beyond those shown above.

VI. Repayment Information

Exit Interview

Borrower must complete exit counseling to facilitate loan repayment once the applicant ceases to be enrolled less than half time. Graduating students must clear with ECSI at http://ecsi.net or 888-549-3274 at least 2 weeks prior to commencement.

Grace period

The maximum grace period for Perkins Loans is 9 months. For NDSLP loans made on or after October 1, 1980, the grace period is six months.

<u>Payments</u>

Minimum repayment of \$40.00 (\$30 if a Federal Perkins Loans was made before October 1, 1992 that included the \$30 minimum payment option or outstanding National Direct Student Loans) after the initial grace period.

The maximum repayment period is 10 years. Your repayment period may be shorter than 10 years if you are required to make minimum monthly payments.

Texas A&M University will report the status of your Perkins loan to a National Credit Bureau at least annually.

Repayment and loan forgiveness benefits that may be available to Direct Loan borrowers are <u>not</u> available to Perkins Loan borrowers. For more information regarding repayment and forgiveness benefits, please visit https://studentaid.ed.gov/sa/repay-loans.

Your current Perkins Loan balance with Texas A&M University can be found online at www.heartlandecsi.com.

The following is a table of an estimated monthly Perkins loan payment schedule:

Principal Amount on Loan	Number of Payments	Simple Interest Rate	Your monthly payment will be approximately
\$5,000	120 (10 Years)	5%	\$53.03
\$10,000	120	5%	\$106.06
\$20,000	120	5%	\$212.13

Perkins Loan payments can be mailed to the following address:

Texas A&M University

C/O ECSI

181 Montour Run Rd

Coraopolis, PA 15108

Prepayment

You have the right to prepay all or a part of your Perkins Loan, at any time, without penalty.

<u>Deferment and Forbearance Conditions and Loan Cancellation</u>

Deferment or forbearance are options to temporarily postpone or reduce monthly payments. During an approved forbearance period, payments of principal and interest, or principal only, may be postponed or reduced. Interest continues to accrue during forbearance. During deferment, payments are postponed and interest does not accrue.

Loan Cancellation

A borrower may apply for up to a 100 percent cancellation of the original principal Perkins Loan amount due to performing qualifying service in the following areas: Teaching, Early Intervention Services, Law Enforcement or Corrections Officer, Nurse or Medical Technician, Child or Family Service Agency, Attorneys in a Defender Organization, Firefighters, Tribal College/University Faculty, Librarian, Speech-Language Pathologist, Early Childhood Education Program, Military Service, Volunteer Service (ex: Peace Corps).

Please refer to the Master Promissory Note for additional Forbearance, Deferment and Loan Cancellation terms.

Loan Consolidation

Borrowers have the option to consolidate the Perkins Loan into a Direct Consolidation Loan along with other types of federal loans. This may simplify loan repayment or reduce the monthly payment, but it can also result in more interest being paid over the life of the loan. You should research all repayment options before consolidating.

Default

Your Perkins Loan may be considered in default if (1) you fail to make a scheduled payment when due; (2) you fail to submit to the School, on or before the due date of a scheduled payment, documentation that you qualify for a forbearance, deferment, or cancellation; or (3) you fail to comply with the terms and conditions of your promissory note. Texas A&M University will report the default to credit bureaus. A borrower in default on any federal student loans, including Perkins, is ineligible to receive any additional federal financial aid until the default is resolved.

Collection Fees

Texas A&M University may impose late charges if you do not make scheduled Perkins Loan payments when due. Late charges will be added to your principal balance the day after the payment was due or will be included in your next scheduled payment. Late charges will not exceed 20% of your monthly, bimonthly, or quarterly payment.

FEDERAL PERKINS LOAN APPLICATION

OFFICE USE ONLY CLASS: ____ Hours: ____

PRE. NDSL:

Texas A&M Univ P. O Box 30016 College Station, T	•	Texas A&M Galveston Processing P.O Box 40005 College Station, TX 77842			AWARD: TERM: SAPCOOP:
99) as amended, to	assist in the payr	the amount of \$ ment of my educational expenses (Academic Year or Semester).			of the Higher Education Act of 1965 (Public Law 498- bove University during the
All blanks must eligible.	be filled in or	the application will not be p	rocessed. This fo	orm mus	st be completed in ink. CO-OP students are not
I. PERSONAL	INFORMATIO	<u> </u>			UIN:
Name:					_SSN:
Last		First	Middle		_ ()
	(Street)	(City)	(State)		Local Telephone #
Perm. Address:_					_ ()
	(Street)	(City)	(State)	(Zıp)	Permanent Telephone #
Driver's License	:(Number)	(State)	DOB: (M/D/Y)	_ Email	Address
Employer:				_ Telepł	none #: ()
					State:Zip:
FOR REFEREN	NCE PURPOSI	ES ONLY			
Father/Guardian:				_ Telepl	hone #: ()
Address:		City:			State:Zip:
Mother/Guardiar	n:			_ Teleph	none #: ()
Address:		City:			State: Zip:
II. SPOUSE'S	INFORMATIC	ON (if applicable)			
Name:					SS#:
Last		First	Middle		
Driver's License	:(Number)	(State)	DOB:(M/D/Y)	_ Emplo	yer
Father/Guardian:				_ Telepl	hone #: ()
Address:		City:			State:Zip:
Mother/Guardian	1:			_ Teleph	none #: ()
Address:		City:			State: Zip:

III. REFERENCES

LIST THREE REFERENCES: Three adults with different U.S. addresses other than your permanent or local address who will know where to locate you. (i.e., Brother, Sister, Grandparents, Cousin, Aunt, Uncle), or (Neighbor, Friend or Co-worker).

Can Not be a student or a reference already used (i.e., parents, spouse's parents).

Name:	Tel # :()	Relationshi	p:
Address:City:			State:	_Zip:
Name:	Tel # :()	Relationshi	p:
Address:City:			State:	Zip:
Name:	Tel # :()	Relationshi	p:
Address:City:			State:	_Zip:
APPLICANT'S STATEMENT:				
In the event I receive a loan under the Federal Perkins Loan	n Program, I l	nereby certify:		
1. I am in need of the loan in order to continue my college	work.			
2. I will be registered as a half-time student during the peri graduating from Texas A&M University, I must complete				
3. I agree that the repayment of principal together with inte I cease to carry at least one-half the normal full-time acade percent per annum shall accrue from the beginning of such	mic work loa	d and ends 10 ye		
4. I will use the proceeds of the loan only for payment of eand room; and required living expenses).	ducational ex	penses; (i.e.: tuit	ion and required	fees; books and supplies; board
5. I understand that Texas A&M University is the lender of	f these funds a	and ECSI is the l	oan servicer.	
6. I hereby acknowledge that the information submitted her acceptance of this loan and the conditions of its repayment		and correct and	I fully understand	d my obligations incurred by the
7. I have read and fully understand the attached terms and o	conditions and	d all of the rights	s and responsibili	ities put forth in its contents.
Applicant's Signature			Date	

REV 03/22/16