Federal Perkins Loan Statement of Rights and Responsibilities

A loan is a serious obligation. Therefore, it is extremely important that you understand your rights and responsibilities. When you, student borrower, sign the statement below it means you understand your responsibilities, agree to honor them and have a copy of this for your records.

Loan Type: Federal Perkins Loan (serviced by University of Georgia)

Interest Rate:
*The annual percentage rate is located on the promissory note and is computed on the unpaid balance.
*Interest begins accruing at the end of a nine month grace period following graduation or enrollment less than half-time

Credit Reporting:
*All loan history (disbursements, repayments and balances) are reported to National Credit Bureaus every month in accordance with federal regulations starting with the date of disbursement and continue to be reported until the loan is paid in full.

Requirements:
*Must be enrolled at least half-time each term to receive Perkins loan funds
*Must complete Master Promissory Note, Entrance Interview Questionnaire and complete the rights and responsibilities prior to receiving funds
*Must complete Annual Interview Questionnaire each year that you receive funds
*Must complete Exit Interview Questionnaire after graduation or half-time enrollment
*Must report any change of address and other personal information to Student Accounts department

Disbursements:
*Financial aid awards are first applied to unpaid student account balance and any excess funds are sent to borrower in the form of a check or directly deposited into borrowers personal bank account

Grace Period:
*Nine consecutive months period that immediately follows a period of enrollment and immediately recedes the date of repayment is required to begin for the first time.

Prepayment:
*Borrowers may, without penalty, prepay on their loan. Prepayments are used to reduce the amount of outstanding loan principal and decrease the repayment period and related total interest charge. If you pay more than your monthly payment, the additional amount will automatically be applied to principal unless you otherwise designate.

Repayment:
*Repayment begins nine months after graduation or if enrollment falls below half-time
*Repayment will be made directly to the University of Georgia and are due on the 1st of each month
*Late fees are assessed on delinquent payments received after the 15th of each month.
*Late payments or failure to pay will result in the withholding of University of Georgia services
*Repayment method is monthly coupons which are mailed out yearly for a year at a time. Statements-invoices are not mailed out unless the loan is delinquent.
*Repayment period is based on a 10 year repayment plan with a minimum amount of $40.00. Remember, repayment amount may be higher depending on your loan balance
*Delinquent accounts may be assigned to an outside collection agency or legal firm for collection
*Borrower is responsible for any collection costs and legal fees that may incur on delinquent accounts

Cancellation:
*Perkins loan has several service-cancelable provisions in which borrower performs a year of qualified service/employment in certain fields or work, they can cancel up to 100% of the original principal loan amount canceled. Please see promissory note and visit our website for a description of each cancellation provision

Deferment:
*Perkins loan has several deferment provisions which will allow the temporary postponement of principal payments and in some cases also interest payment. Please visit our website for a description of each deferment provision

Consolidation:
*UGA does not offer a loan consolidation program. However, borrowers may consider loan consolidation to make repayments of their total loan debt easier. Remember, loan consolidation will negate cancellation benefits.

Contact Information:
UGA-Student Accounts- Loan Servicing
110 Business Services Building
Athens, GA 30602-4226

Phone: (706) 542-6834
Fax: (706) 542-3959
http://www.bursar.uga.edu/ls_federal_perkins.pdf

Ombudsman:
*The Ombudsman's office is a resource for borrowers to use when other approaches to resolving student loan problems have failed. Borrowers should first attempt to resolve complaints by contacting the school involved. Contact Information:

Office of the Ombudsman, USDOE
830 First Street N.E.
Mailstop #5144
Washington, DC 20202-5144

Phone: (877) 557-2575
(202) 377-3800
Fax: (202) 275-0549
http://fsahelp.ed.gov

SIGNATURE: _____ **LAST 4 OF SSN:** _____ **DATE:** _____