



Perkins Loan Request Form 2016-2017

1. Complete the **Perkins Loan Request Form 2016-2017** and return to Financial Aid Office for processing. Please keep all other pages for your record.
2. An email will be sent to your NHCC email account from ECSI within 5 business days with instruction to complete the **Perkins Loan entrance counseling** and **Master Promissory Note** online at: www.ecsi.net/promx7. Please write down your account # and ECSI PIN confirmation at the end of your session for future use.

Name _____

Student ID _____

Address _____

City/State/Zip Code _____

NHCC email address _____

Phone _____

Please note that this amount will be split equally between the fall and spring semesters.

Check a box:

	I accept the maximum total Perkins loan amount for the loan period: <u>\$2,000.00</u>
	I accept a reduce loan amount for the loan period: List loan amount: \$_____

Are you graduating in the fall semester? (circle one) Yes or No

Comments: _____

I have received and understood the Federal Perkins loan program disclosure notice and the rights and responsibilities statements. I accept the Perkins loan awarded for this academic year and acknowledge the cumulative amount borrowed from this campus. I understand that I have the right to cancel or reduce any student loan amount by making the request in writing to the Financial Aid Office within 14 days of the loan disbursing.

Student Signature

Date

FEDERAL PERKINS LOAN PROGRAM STATEMENT OF RIGHTS AND RESPONSIBILITIES

Your Federal Perkins Loan is a serious legal obligation. This loan may be used only for educational expenses and must be repaid. Therefore, it is extremely important that you understand your rights and responsibilities. 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. **When you, the student borrower, sign this statement, it means that you do understand your responsibilities and you agree to honor them.**

1. I understand that I must, without exception, advise the College, University or **Student Loan Service Center** of any changes in my name, address, social security number, telephone or cell number, email address, driver's license number and reference information.
2. I understand that receipt of a loan will affect my eligibility for other student aid. It may be beneficial to determine first my eligibility for grants, work-study funds and other forms of student assistance. Before receiving a Federal Perkins Loan, I must receive a determination of my Pell Grant eligibility.
3. I understand that when I graduate, transfer, withdraw or drop below half-time status, I must notify the **Student Loan Service Center**.
4. I understand that my loan will be reported to the Credit Bureau while I am a student as well as during the full repayment period.
5. I understand that the **ANNUAL PERCENTAGE RATE of 5%** will be the **FINANCE CHARGE** based on the unpaid balance and that it will begin to accrue **9 months** after I cease to be enrolled at least half-time if I obtain a Perkins Loan.
6. I understand that the repayment period begins **TEN MONTHS** after I cease to be at least a half-time student if I obtain a Perkins Loan. No interest will accrue during this Grace Period.
7. I understand that the minimum monthly payment will be at least \$40.00 for loans up to \$3775.00. Loans \$3776.00 and greater will have a minimum payment of: $\text{amount of the loan} \times .01060655$.
8. I understand that repayment will be made in accordance with the terms and conditions stipulated in the **PROMISSORY NOTE**. I also understand that I may prepay any or my entire loan at any time without penalty.
9. I understand that if I fail to fulfill my loan obligation, all College or University records may be withheld including academic transcript and diploma.
10. I understand that there is a student loan consolidation program. This service permits borrowers to reduce monthly payments and pay only one lender for all their loans. Consolidation lowers monthly payments, but increases the total loan repayment amount because of a longer repayment period and possibly higher interest rates. **Perkins entitlements will be lost if consolidated.**
11. The Department of Defense has repayment programs for Perkins loans.
12. I understand that my Federal Perkins Student Loan will be considered in default if: I do not make a scheduled payment when due under the repayment schedule established by the **Student Loan Service Center**, and I do not submit on or before the payment due date, documentation that I qualify for a deferment, cancellation or forbearance request. I understand that if I default, the total loan plus interest and late charges (not to exceed 20% of monthly installment) which have accrued may become due and payable immediately and legal action could be taken against me including collection by a collection agency. I understand that I may then be assessed all reasonable costs of collection and fees. I also understand that my Minnesota state tax refund may be withheld.
13. I understand that if I cannot pay on time, I must contact the **Student Loan Service Center** to make arrangements.
14. I authorize the **Student Loan Service Center** to release my current and previous loan status to potential credit inquiries. I also authorize the school and the **Student Loan Service Center** to contact any institution which I may attend, to obtain information concerning my student status, my year of study, my dates of attendance, graduation or withdrawal, my transfer to another school, or my current address.
15. I understand that I will promptly answer any communication from the school and the **Student Loan Service Center** regarding the loan.
16. I understand the amount I can borrow depends on my financial need, the amount of other aid I receive, and the availability of funds at my college or university. An undergraduate student may be eligible to receive up to \$5,500 a year. I understand that due to limited funds, not everyone who qualifies for a Perkins Loan will receive one. The total you can borrow as an undergraduate student is \$27,500. If you are a graduate or professional student, you may be eligible to receive up to \$8,000 per year. The total you can borrow as a graduate student is \$60,000, which includes amounts borrowed as an undergraduate.
17. I understand that I may request rehabilitation of my loan which consists of 9 consecutive, on-time monthly payments as determined by the **Student Loan Service Center**. Completion of this will remove my loan from default, allow me to receive additional Title IV student aid, clear my credit bureau history and re-establish my balance of benefits. I understand I may rehabilitate my loan only one time.
18. I understand if I dispute the terms of my loan in writing and the institution or the **Student Loan Service Center** does not resolve the dispute, I may contact the Student Loan Ombudsman. The phone number is (877) 557-2575 or www.ombudsman.ed.gov. E-Mail: fsaombudsmanoffice@ed.gov
19. I understand that I may go to <http://www.nsls.ed.gov> to review my Title IV loan information in the National Student Loan Data system.

SEND PAYMENTS TO: HEARTLAND ECSI / MnSCU X7, PO Box 718, Wexford, PA 15090 www.heartlandecsi.com

ALL CORRESPONDENCE AND QUESTIONS TO:

Minnesota State Colleges & Universities, Student Loan Service Center, 30 7th St E, Suite 350, St Paul, MN 55101-7804
Tel: 651.201-1500 Fax: 651.215.3979 Email: loans@so.mnscu.edu Website: www.slsc.mnscu.edu

FEDERAL PERKINS LOAN INFORMATION SHEET

1. PERKINS LOAN PROGRAM

This program previously called the National Defense/Direct Student Loan Program was developed by the U.S. Congress in 1958 as a revolving fund for students in need of financial aid. The money that you repay will be directly circulated back into future loans. The approval of this loan is an expression of confidence in the potential of a student. It is assumed that the borrower fully understands this responsibility and when payments are due on the loan, will promptly respond. The continuation and success of this loan program is dependent upon payment of outstanding loans.

2. REPAYMENT

Regular monthly payments are at the rate of \$40.00. Since the maximum time allowed to repay the loan is 10 years, loans over \$3776.00 will require monthly payments in excess of \$40.00. Since the minimum monthly payment is \$40.00, smaller loans will be repaid in less than 10 years. All payments are applied first to collection costs, then to late charges, accrued interest and any remaining amount to the loan principal. The borrower may, without penalty, prepay all or any part of the loan principal and accrued interest at any time. **The status of your loans will be reported to Trans Union and Equifax Credit Bureaus monthly from the date of disbursement.**

HEARTLAND ECSI HAS BEEN CONTRACTED TO SEND BILLS AND PROCESS LOAN PAYMENTS FOR Minnesota State Colleges and Universities.

PLEASE SEND PAYMENTS TO: Heartland ECSI, PO Box 718, Wexford, PA 15090 website: www.heartlandecsi.com

PLEASE REFER ALL CORRESPONDENCE AND QUESTIONS TO:

Minnesota State Colleges & Universities, Student Loan Service Center,
30 7th St E, Suite 350, St Paul, MN 55101-7804

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3. INTEREST

Simple interest at the rate stated on your Promissory Note and Repayment Schedule is charged on the unpaid balance of the loan beginning at the expiration of the grace period. (Please refer to your Promissory Note and your Repayment Schedule for specific dates.) Interest charges may be canceled or waived ONLY under certain circumstances as explained in items 4 and 5.

4. CANCELLATIONS

A percentage of the loan **may** be canceled if the borrower meets the eligibility requirements. Properly executed and certified forms **MUST** be submitted at least once each year to the Service Center in order to obtain cancellation. Please contact the MnSCU Student Loan Service Center if you have questions.

- A. Member of the armed forces who served in an area of hostility, at the rate of 15% for the 1st and 2nd years of service; 20% for the 3rd and 4th years of service; and 30% for the 5th year of service.
- B. Total and permanent disability or death of the borrower.
- C. Full-time employment in Head Start Program.
- D. Full-time special education teacher, including teacher of infants, toddlers, children or youth with disabilities
- E. Full-time teacher of math, science, foreign languages, bilingual education, or any field of expertise determined by the state education agency to have a shortage of qualified teachers.
- F. Full-time law enforcement or correction officer.
- G. Provider of early intervention services in a public or nonprofit program under public supervision.
- H. Full-time Nurse or Medical Technician providing health care services.
- I. Peace Corps or ACTION programs volunteer.
- J. Full-time staff members in a prekindergarten or child care program that is licensed or regulated by the state.
- K. Full-time public defenders.
- L. Full-time faculty members at a tribally controlled university.
- M. Librarians with a master's degree in library science who are employed in a school served under Title I of the ESEA, or a public library serving a Title I school.
- N. Full-time speech language pathologists with a master's degree working exclusively in Title I schools.
- O. Full-time firefighters

5. DEFERMENT PRIVILEGES (Please refer to your promissory note to see if you are eligible)

Interest will not accrue and loan payments need not be made during any period of eligible deferment as listed below. It is the borrower's responsibility to notify the MnSCU Student Loan Service Center. Deferments are not granted in advance. Deferment is granted at the end of an eligible period of deferment, filed annually, upon receipt of a properly completed and certified deferment form.

- A. Enrolled and in attendance as a regular student in at least a half-time course of study at an eligible institution.

****EFFECTIVE 10-7-1998 ALL PERKINS LOANS ARE ELIGIBLE FOR THE FOLLOWING:

- A. Enrolled and in attendance as a regular student in a course of study that is part of a graduate fellowship program approved by the Secretary.
- B. Engaged in graduate or postgraduate fellowship-supported study (such as a Fulbright grant) outside the United States.
- C. Enrolled and in attendance in a course of study that is part of a rehabilitation training program for disabled individuals approved by the Secretary.
- D. For any period that a borrower is engaged in service in 4. F,G, H, I, J, K, L.
- E. For a period not to exceed three (3) years during which-
 1. The borrower is seeking and unable to find full-time employment, or
 2. For any reason the Institution determines has caused or will cause the borrower to have an economic hardship.

Deferment provisions that apply to loans obtained after 7-1-87 and prior to 7-1-93 are:

- A. For a maximum period of 36 months when the borrower:
 1. Is serving on a full time active duty in the Armed Forces of the United States.
 2. Is a full-time volunteer in the Peace Corps or Vista.
 3. Is a full-time volunteer in a tax-exempt organization performing service comparable to that performed by the Peace Corps or ACTION agency volunteers.
 4. Is temporarily totally disabled or caring for a temporarily totally disabled spouse/dependent.
 5. Is an officer in the Commissioned Corps of the United States Public Health Service.
 6. Is an active duty member of the National Oceanic and Atmospheric Administration Corps.
- B. For a maximum of 24 months when the borrower is serving in an internship which is required in order to receive professional recognition to begin any professional practice or service.
- C. For a maximum of 24 months when the borrower, as a mother of preschool children, enters or re-enters the work force at a pay rate which does not exceed \$1.00 above the minimum wage.
- D. For a maximum of 6 months when the borrower is pregnant, caring for a newborn baby, or is caring for an adopted child immediately after placement **and** is not attending school nor gainfully employed during the deferment period **and** was enrolled as at least a half-time student within 6 months of the first day of that period.

6. DEFAULT Your loan will be in default if you miss a payment or fail to file an appropriate deferment or cancellation form. A default will prevent you from obtaining additional student financial aid authorized under Title IV of the Higher Education Act of 1965, as amended, until you have cleared up the default. If your loan is in default you will also be responsible for paying all late charges, collection costs, including attorney fees and other charges necessary for the collection of the loan.



North Hennepin
Community College
A member of Minnesota State

Federal Perkins loan Disclosure Statement under Federal Perkins Loan Program Extension Act of 2015

You are eligible to receive Federal Perkins Loan funds under the Federal Perkins Loan Program Extension Act of 2015. Absent Congressional action to reauthorize the Federal Perkins Loan Program, the program will expire on 9/30/2017. The cumulative total of your Federal Perkins Loan advances are subject to the following terms and conditions of the Extension Act.

1. The Extension Act of 2015

The Federal Perkins Loan Program Extension Act of 2015 was signed into law on December 18, 2015. The extension Act authorizes institutions of higher education to award new Perkins Loans to eligible students through September 30, 2017.

2. Use of Loan Funds

You may only use your loan funds to pay educational expenses at the institution that certified your loan eligibility. If you accept this loan, your eligibility for other student assistance may be affected.

3. Loan Limits

To be eligible to receive a Perkins Loan, you must have been awarded the maximum annual Direct Subsidized Loan aid and in certain cases the maximum annual Direct Unsubsidized Loan aid, borrowing limits for which you are eligible. The annual maximum Perkins loan an eligible undergraduate student may borrow is \$5,500 and an eligible graduate student may borrow up to \$8,000. The combined Direct loan aggregate unpaid principal amount received by a dependent undergraduate student may not exceed \$31,000 and \$57,500 for an independent undergraduate student. Undergraduate Federal Perkins loan aggregate limit may not exceed \$11,000.

4. Enrollment Status

If you do not maintain an enrollment status of at least half-time or more, your loan will move into repayment after any applicable 9-month grace period.

5. Repayment

Repayment and accrual of interest at an annual rate of **5%** will begin following the expiration of your grace period.

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Tel: 651.201-1500 Fax: 651.215.3979 Email: loans@so.mnscu.edu Website: www.slsc.mnscu.edu

You promise to repay the full loan amount with all interest and fees within ten (10) years. The minimum monthly repayment of this loan is \$40.00. You may prepay this loan, make loan payments before they are required, or in amounts that are greater than required, at any time without penalty. A Department of Defense repayment program may be available for specified military service.

6. Credit Bureau Notification

Your loan will be reported to one or more national credit bureaus on a monthly basis.

7. Default

Your loan may be considered in default if terms and conditions of the loan note are not followed. Defaulted loans may be subject to late fees, accelerated calling the full balance due and payable, referred to a collection agency, and/or litigated.

8. Collection Fees

A late payment fee may be charged for each individual scheduled payment that is missed. If your delinquent account is referred to a collection agency or attorney for litigation, you will be responsible to repay the 100% of the cost to collect the loan including collection and litigation costs. This may include a percentage based collection fee system.

9. Consolidation

A Perkins Loan may be consolidated into a Direct Consolidation Loan at <https://studentloans.gov>. Please consider that consolidation offers advantages and disadvantages.

Advantages of Direct Loan Consolidation:

- Longer repayment period; up to 30 years
- Single monthly payment
- Flexible repayment options

Disadvantages of Direct Loan Consolidation:

- Loss of deferment and forbearance benefits
- Loss of cancellation benefits (see No. 11)
- Potential loss of grace period
- Potential loss of the interest subsidy

10. Repayment and Forgiveness Option Comparison:

There are loan forgiveness provisions under both the Federal Perkins Loan program and the Direct Loan program. There are specific repayment and forgiveness benefits available to borrowers of the Direct Loan program that are not available to Perkins Loan borrowers. However, consolidation of a Perkins Loan into a Federal Direct Loan is possible.

(see No. 9).

Federal Perkins Loan Program:

- All or part of your loan may be cancelled for full-time employment in an eligible service field (see No. 11)

Federal Direct Loan Program:

- Income-Based Repayments
- Pay-As-You-Earn
- Public Service Loan Forgiveness

11. Cancellation

You may be entitled to have up to 100% of the original principal loan amount forgiven on your Perkins loan if you perform qualifying service in an eligible profession such as teaching, early intervention, law enforcement or corrections, nurse or medical technician, child or family service, attorney in a defender organization, firefighter, Tribal or University faculty, librarian, speech-language pathologist, service in an early childhood education program, military, and volunteer service. Refer to your Federal Perkins MPN or Perkins Borrower's Guide at <https://studentloans.gov> for eligibility and details.

For Direct loans, you may be entitled to repayment and forgiveness benefits that are not applicable to Perkins loans including, but not limited to, false certification of student eligibility, unauthorized payment discharge, unpaid refund discharge, teacher loan forgiveness, public service loan forgiveness, and borrower defense discharge. Refer to the Direct Loan Guide at <https://studentloans.gov> for eligibility and details.

12. Federal Direct Loan Interest Rate Comparison

Subsidized: The U.S. Department of Education pays the interest on a Direct Subsidized Loan while you are in-school at least half time, during your 6 month grace period, and during periods of deferment. Direct Subsidized Loans are available to undergraduate students with financial need. Your school determines the amount you can borrow based on the year you are in school and whether you are a dependent or independent student.

Direct Subsidized Loan Interest Rate: 2016-2017 Interest Rate
3.76% fixed (Undergraduate student)

Unsubsidized: Direct Unsubsidized Loans are available to undergraduate and graduate students, having no requirement to demonstrate financial need. You are responsible for paying the interest on an unsubsidized loan during all periods. If you do not pay the interest while you are in school, during grace periods, and during periods of deferment or forbearance, your interest will accumulate and can be added to the principal amount of your loan. Your school determines the amount that you can borrow based on your cost of attendance and other financial aid you receive.

Direct Unsubsidized Loan Interest Rate: 2016-2017 Interest Rate
3.76% fixed (Undergraduate student)