



# Federal Perkins Loan Disclosure Statement

Borrower: \_\_\_\_\_ Emplid: \_\_\_\_\_  
Last First MI

You are eligible to receive Federal Perkins Loan funds through September 30, 2017 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. Federal Perkins Loan disbursements are now subject to the following terms and conditions of the Extension Act:

**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.

**Loan Limits:**

To be eligible to receive a Perkins Loan, you must have been awarded the maximum annual Direct Subsidized Loan and in certain cases the maximum annual Direct Unsubsidized Loan for which you are eligible. The Federal Perkins Loan program has varying loan limits depending on your year in school, dependency status, and amount awarded by the institution. Limits for undergraduates are \$5,500 per year with a maximum of \$27,500. For eligible graduate or professional students, the annual loan limit is \$8,000 with a cumulative maximum of \$60,000 including amounts borrowed as an undergraduate.

**Enrollment Status:**

If you do not maintain an enrollment status of at least half-time, your loan will enter repayment after the 9-month grace period.

**Repayment:**

Repayment and accrual of interest at an annual rate of 5% will begin following the expiration of your grace period you promise to repay the full loan amount with all interest and fees generally 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. In some circumstances the loan may be deferred for student status, economic hardship, unemployment, military service, or cancellation service. A Department of Defense repayment program may be available for specified military service.

**Consolidation, Forgiveness, and Alternative Repayment plans:**

A Federal Perkins loan may be consolidated. Consolidating your federal education loans can simplify your payments, but it can also result in the loss of some benefits. Please weigh the pros and cons and decide if a Direct Consolidation Loan is right for you. More information can be found at <https://studentaid.ed.gov/> and <https://studentloans.gov>

**Direct Loan Limits and Federal Loan Interest Rate Comparison:**

Direct Subsidized and Unsubsidized loans have varying loan limits depending on your year in school, dependency status, and amount awarded by the institution. In general aggregate loan limits are \$31,000 for dependent students, \$57,500 for independent students, and \$138,500 for graduate or professional students. More detailed information regarding loan limits between subsidized and unsubsidized loans can be found at <https://studentaid.ed.gov/>. For loans disbursed on or after July 1, 2015 and before July 1, 2016 the interest rate comparison is:

| <b>Loan Program</b>      | <b>Interest Rate</b> | <b>Degree Level</b>        |
|--------------------------|----------------------|----------------------------|
| Direct Subsidized Loan   | 4.29% fixed          | Undergraduate              |
| Direct Unsubsidized Loan | 4.29% fixed          | Undergraduate              |
| Direct Unsubsidized Loan | 5.84% fixed          | Graduate or Professional   |
| Federal Perkins Loan     | 5.00% fixed          | Undergraduate and Graduate |

I have received, reviewed and understand this disclosure notice regarding the Federal Perkins Loan program. I accept the Perkins loan awarded for this academic year and acknowledge the cumulative amount borrowed from this campus

\_\_\_\_\_  
Borrower's Signature

\_\_\_\_\_  
Date