



# ECKERD COLLEGE

## FEDERAL PERKINS LOAN

### STATEMENT OF BORROWER'S RIGHTS AND RESPONSIBILITIES

A Federal Perkins Loan is a serious legal obligation. Therefore, it is extremely important that you understand your rights and responsibilities. When you, the student borrower, sign this statement, it means that you do understand your responsibilities and agree to honor them.

1. I understand that I must, without exception, report any of the following changes to the Student Loan Office at Eckerd College or Campus Partners, the billing service:
  - (A) If I withdraw from school
  - (B) If I transfer to another school
  - (C) If I drop below half-time status
  - (D) If I change my name (for example, because of marriage)
  - (E) If my address, or my parents' address changes
2. I understand that when I graduate or withdraw from Eckerd College I must arrange for an exit interview in the Student Loan Office.
3. I understand that my first monthly payment will be due **nine months** from the time I cease to be at least a half-time student.
4. I understand that my minimum monthly payment will be at least \$40.00. It may be more if the amount borrowed is sufficient to require larger payments in order that the loan will be paid in full within the 10-year maximum allowable 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 **nine months** after I cease to be enrolled as at least a half-time student.
6. I understand that the amount of my loan will be disclosed to credit bureau organizations upon disbursement. Defaulted loans will also be reported.
7. I understand that if I cannot make payments on time, I must contact Eckerd College to make arrangements.
8. I understand that a late charge will be imposed if
  - (A) I do not make a scheduled payment when it is due, and
  - (B) I do not submit to Eckerd College or Campus Partners, its billing agent, on or before the date on which payment is due, documentation that I qualify for a deferment, cancellation, or forbearance.
9. I understand that if I fail to repay any loan as agreed, the total loan may become due and payable immediately and legal action could be taken against me.
10. I agree that I will promptly answer any communication from Eckerd College, or its billing agent, Campus Partners, regarding my loan.
11. I understand the lending institution may permit me to pay less than the rate of \$40.00 per month for a period of not more than one year where necessary to avoid hardship to me unless that action would extend the repayment period of ten years.
12. I understand I may prepay at any time. I further understand that making such payments will reduce future interest.

13. I authorize Eckerd College to contact any school, 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.
14. I understand that if I qualify as a low-income individual during the repayment period, the lending institution may, at my request, extend the repayment period for up to an additional 10 years or adjust any repayment schedule to reflect my income, or both.
15. I understand that I am entitled to be granted forbearance of principal and interest or principal only, renewable at 12-month intervals for a period not to exceed three years if I properly certify that
- (A) My debt burden equals or exceeds 20 percent of my gross income.
  - (B) Eckerd College determines that I qualify for other reasons.
16. I understand that interest will not accrue and installments need not be paid if I properly certify that I am
- (A) Enrolled and in attendance as a regular student in at least a half-time course of study at an eligible institution; or
  - (B) Enrolled and in attendance as a regular student in a course of study that is part of a graduate fellowship program; or
  - (C) Engaged in graduate or post-graduate fellowship-supported study (such as a Fulbright grant) outside the United States; or
  - (D) Enrolled and in attendance in a course of study that is part of a rehabilitation training program for disabled individuals
  - (E) For any period that I am engaged in service described in paragraphs 17, 18, 19 and 20 of this document.

Further, I understand that interest will not accrue and installments need not be paid for a period not in excess of three years, during which time

- (A) I am seeking and unable to find full-time employment
  - (B) Eckerd College determines me to have an economic hardship
- I understand that I am not eligible for deferment while I am serving in a medical internship or residency program. I also understand that I may continue to defer making scheduled installment payments and will not be liable for any interest that might otherwise accrue for a six-month period immediately following the expiration of any deferment described in paragraph 16.
17. I understand that I am entitled to have up to the entire amount of this loan plus the interest thereon canceled if I undertake service
- (A) As a full-time teacher in a public or other non-profit elementary or secondary school in a school district of a local educational agency that is eligible in such year of service for funds under Title I of the Elementary and Secondary Education Act of 1965 and which has been designated by the Secretary in accordance with the provisions of Section 465 (A)(2) of the Higher Education Act as a school with a high concentration of students from low-income families, or
  - (B) As a full-time special-education teacher, including teachers of infants, toddlers, children, or youth with disabilities in a public or other nonprofit elementary or secondary school system, or as a full-time qualified professional provider of early intervention services in a public or other nonprofit program under public supervision by the lead agency.
  - (C) As a full-time teacher of mathematics, science, foreign languages, bilingual education, or any other field of expertise that is determined by the state education agency to have a shortage of qualified teachers.
  - (D) As a full-time staff member in a Head Start program if
    - (1) that Head Start Program is operated for a period which is comparable to a full year in the locality, and
    - (2) my salary is not more than the salary of a comparable employee of the local educational agency. Head Start is a preschool program carried out under Section 222 (A) (1) of the Economic Opportunity Act of 1964.
  - (E) As a law enforcement officer for a local, state, or federal law enforcement agency; or a corrections officer for a local, state, or federal corrections agency.
  - (F) As a full-time nurse or medical technician providing health care services.
  - (G) As a full-time employee of a public or private nonprofit child or family service agency who is providing or supervising the provision of services to high-risk children and their families from low-income communities and the families of such children.

This loan will be canceled at the following rates: 15 percent of the total principal amount of the loan plus interest on the unpaid balance accruing during that year for each of the first and second complete years of service; 20 percent of the total principal amount of the loan plus interest on the unpaid balance accruing during that year for each of the third and fourth complete years of that service; and 30 percent of the total

principal amount of the loan plus interest on the unpaid balance accruing during that year for the fifth complete year of that service.

- 18. I understand that upon making a properly documented written request, I am entitled to have up to 70 percent of the amount of this loan plus the interest thereon canceled if I perform qualifying service after the period for which I received the loan
  - (1) As a volunteer under the Peace Corps Act; or
  - (2) As a volunteer under the Domestic Volunteer Service Act of 1973 (ACTION programs).

This loan will be canceled at the following rates: 15 percent of the total principal amount of the loan plus interest on the unpaid balance accruing during that year for each of the first and second complete years of service; and 20 percent of the total principal amount of the loan plus interest on the unpaid balance accruing during that year for each of the third and fourth complete years of that service.

- 19. I understand that if I serve as a member of the armed forces of the United States in an area of hostilities that qualifies for special pay under Section 310 of Title 37 of the United States Code, up to 50 percent of the principal amount of this loan plus interest on the unpaid balance accruing during that year will be canceled at the rate of 12 1/2 percent for each complete year of service.
- 20. I understand that if I should die or become permanently disabled, the entire amount of this loan plus interest thereon shall be canceled.

\* \* \* \* \*

I certify that I am aware of the amount of money which I have borrowed and of my responsibilities for its repayment. I further certify that I am aware of the procedures to be followed when making payments and/or requesting deferment from such payment when and if appropriate. I further certify that I have read and understand the rights and responsibilities on this form and that I will adhere to them. I certify the information supplied by me on this form is true and correct to the best of my knowledge.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Student Borrower