

PERKINS LOAN

Your federal Perkins Loan is a serious legal obligation. Therefore, it is extremely important that you understand your rights and responsibilities and agree to honor them.

Read the following information carefully. Detailed information regarding terms and conditions for your loan is provided in the promissory note you signed before any disbursement of the loan was made to your Seattle Pacific University student account. Retain this information with your loan records. Contact Student Financial Services (sfs-info@spu.edu / 800-737-8826 option #3) if you have any questions.

Borrowers are responsible to report any of the following to Seattle Pacific University or the loan servicer:

- Enrollment changes: drop to less than half-time enrollment status or withdraws.
- Transfer to another school.
- Join military service or Peace Corps.
- Contact information changes: address, phone number, email.
- Name changes (for example, because of marriage)

To process a name change on your account you should submit a written request along with legal documentation. A copy of your marriage license, divorce/separation decree, court order, social security card or naturalization card is considered legal documentation.

Borrowers must promptly answer any communication regarding their loan.

EXIT COUNSELING: When a borrower graduates, drops to less than half-time enrollment or withdraws from Seattle Pacific University, exit counseling must be completed. If the borrower returns to half-time or greater enrollment at Seattle Pacific University and receives additional loans exit counseling will be required when they next graduate, drop to less than half-time enrollment or withdraws from Seattle Pacific University.

Information about exit counseling is provided by Student Financial Services at Seattle Pacific University. Borrowers are responsible to review all information provided and complete exit counseling requirements as instructed.

GRACE PERIOD: Repayment begins at the conclusion of a nine month grace period. The grace period begins when the borrower ceases to be enrolled at least half-time. The first payment is typically due 30-45 days after the grace period ends.

If a borrower enters the grace period and then re-enrolls at least half-time at an eligible institution before the entire nine month grace period on a loan expires, the entire grace period will be available when they next drop to less than half-time enrollment status.

If a borrower enters repayment and then re-enrolls at least half-time at an eligible institution after the grace period on a loan expires, the loan will be eligible for deferment and will enter a six month post-deferment grace period prior to repayment when they next drop to less than half-time enrollment status.

MINIMUM PAYMENTS / REPAYMENT TERM: The minimum payment will be at least \$40.00. The monthly payment due may be more if the amount borrowed requires larger payments to pay the loan in full within the maximum repayment term of 10 years.

Payments may be made during the grace period or in amounts greater than the scheduled payment without penalty.

INTEREST: The interest rate is fixed at 5%. Interest will be charged on the unpaid balance and will begin to accrue when the loan enters repayment. Interest on this loan is subsidized while the borrower is enrolled at least half-time at an eligible institution, during the grace period prior to repayment, and during periods of deferment.

LOAN SERVICER: Heartland ECSI is contracted by SPU to manage the billing and records for this loan. You may contact Heartland ECSI for information about statements and payments and other questions.

Website: <https://heartland.ecsi.net>

Customer Service: Live Chat: <https://heartland.ecsi.net> / Phone Support: 1.888.549.3274

DEFERMENT / FORBEARANCE: To apply for a deferment you must complete a deferment request form, and submit this form to the Seattle Pacific University or to the loan servicer, Heartland ECSI immediately upon receipt of the first bill after you are eligible to request deferment of payments. If you are unable to make your loan payments and if you are not eligible for deferment, you may request forbearance.

During periods of deferment interest will not accrue. During periods of forbearance interest will accrue. Any unpaid, accrued interest will be due at the end of the forbearance period. Payments toward accruing interest during periods of forbearance is encouraged.

You are eligible to apply for deferment benefits if you are:

- Enrolled at least half-time at an eligible institution
- During a period of study in an approved graduate fellowship program
- During enrollment in an approved rehabilitation training program for the disabled
- During a period of unemployment (3 year maximum)
- During a period of economic hardship (including Peace Corps Service) (3 year maximum)
- During a period of service qualifying for Perkins loan cancellation
- During a period of active duty military service during a war, military operation, or national emergency
- During the 13 months following the conclusion of qualifying active duty military service, or until you return to enrollment on at least a half-time basis, whichever is earlier, if you are a member of the National Guard or other reserve component of the U.S. armed forces and you were called or ordered to active duty while enrolled at least half-time at an eligible school or within six months of having been enrolled at least half-time

DELINQUENCY / DEFAULT: If a borrower fails to repay the loan as agreed, late fees may be assessed, the total loan may become due and payable immediately, may be placed with an agency for collection, and legal action may be taken.

If you are unable to make your payments contact Student Financial Services (206-281-2471 / 1-800-737-87-8826 option #3 / sfs-info@spu.edu) immediately to discuss options that may be available to assist you.

- Seattle Pacific University accelerates delinquent loans at 120 days past due. Acceleration means that the entire loan is then considered due and payable.
- If placed with an agency for collection, collection fees of at least 30% and up to 40% will be added to the entire balance due.
- Defaulted Perkins loans lose eligibility for deferment, cancellation and the borrower will not be eligible for further federal financial aid.

CANCELLATION:

Borrowers may be eligible for cancellation for certain types of public service or are employed in certain occupations. For each complete year of service, a percentage of the loan may be canceled. Deferment in anticipation of cancellation may be requested for a year of qualified employment.

You may be eligible to cancel part of or your entire loan if you have served as one of the following:

- Volunteer in the Peace Corps or ACTION program (including VISTA)
- Teacher serving full-time in a public or nonprofit elementary or secondary school system as a
 - teacher in a school serving students from low-income families; or
 - special education teacher, including teachers of infants, toddlers, children, or youth with disabilities; or
 - teacher in the fields of mathematics, science, foreign languages, or bilingual education, or in any other field of expertise determined by a state education agency to have a shortage of qualified teachers in that state.
- Member of the U.S. armed forces (serving in area of hostilities)
- Nurse or medical technician
- Law enforcement or corrections officer
- Head Start worker
- Child or family services worker
- Professional provider of early intervention services

Cancellation may be granted for death or permanent and total and permanent disability. Student Financial Services at Seattle Pacific University must be informed of such a status.

FEDERAL CONSOLIDATION ELIGIBILITY: This is a federal loan and is therefore eligible to be included in a Direct Consolidation Loan. Borrowers may review consolidation loan information and apply for a consolidation loan at www.StudentLoans.gov.

CREDIT REPORTING: This loan will be reported to at least one credit bureau.

NATIONAL STUDENT LOAN DATA SYSTEM: Cumulative Perkins loan records are maintained in the National Student Loan Data System (www.nslds.gov). You may also review your account with the loan servicer, Heartland ECSI, contact Student Financial Services for assistance or review your credit report(s) for information about this loan.

AWARD LIMITS: Loans may not be made in an amount that exceeds the cost of attendance (including tuition, other reasonable expenses, and reasonable living expenses) minus other financial aid.

Borrower Status	Annual Limit	Aggregate Limit
Undergraduate	\$5,500	\$27,500
Graduate	\$8,000	\$60,000