

WESLEYAN UNIVERSITY
BORROWER RIGHTS AND RESPONSIBILITIES
FEDERAL PERKINS LOAN

Student/Maker:

SSN:

Creditor/Lender: WESLEYAN UNIVERSITY

Address: Office of Student Loans
 237 High Street
 Middletown, CT 06459

ANNUAL PERCENTAGE RATE	CUMULATIVE AMOUNT FINANCED	LATE CHARGE: If any installment is not paid on its scheduled due date, I promise to pay the penalty charge assessed against me by the Lending Institution, an amount not exceeding 20% of the unpaid amount of the installment.
The cost of your credit as a yearly rate: Prior to During Repayment: Repayment: 0% 5%	Reference your cumulative total on your financial aid award letter and/or the SIMON link in your ePortfolio	PREPAYMENT: No penalty for early pay off.
SEE THE PROMISSORY NOTE FOR A COMPLETE LISTING OF TERMS AND CONDITIONS.		

I understand that:

1. **My Federal Perkins Loan is a LOAN and must be repaid in full, even if I do not complete my program of study, am dissatisfied with my education, or am unable to secure employment upon completion of my program.**
2. **THE ANNUAL PERCENTAGE INTEREST RATE OF 5%** will be charged on the unpaid principal balance and will begin to accrue nine (9) months after I cease to be enrolled as at least a half-time student at this institution. I may prepay all or part of my loan at any time without penalty. If I repay more than the amount due for an installment, the excess will be used to repay principal unless I designate it as an advance payment of the next regular installment.
3. If I am unable to pay on time, I must contact and make arrangements with Wesleyan University's Student Loan Office which holds my promissory note.
4. This loan is reported to a national credit bureau. If I fail to a) make scheduled payments when due; b) submit forbearance, deferment, or cancellation documentation before the due date of a scheduled payment; or c) comply with the terms and conditions of the Note or written repayment agreement, Wesleyan University may declare my loan in default and the entire unpaid balance, including principal, interest, late charges, and collection costs may become immediately due and payable. Failure to pay my loan may a) prevent me from registering at Wesleyan University or obtaining official copies of my student records including grades, transcripts and diplomas b) result in my loan being assigned to the U.S. Department of Education c) cause my federal and state income taxes to be withheld and d) make me ineligible to receive any additional federal financial aid funds. If I default on my loan, it will negatively impact my credit.
5. Collection agencies may be used to collect loans which become past due and will result in my paying additional collection costs. Attorneys and legal firms may be used to collect loans in default which will result in my paying reasonable attorney's fees plus other costs of collection. I authorize Wesleyan University and any collection agency or legal counsel under its direction to contact any school which I attend or have attended to obtain information concerning my student status, year of matriculation, classification, dates of attendance, date of graduation or withdrawal, name(s) of other school(s) I may have attended, and my current address. I further authorize Wesleyan University to obtain my current address from local, state, or federal agencies.
6. By accepting this loan my eligibility for other forms of student financial assistance may be reduced at Wesleyan University. Funds received under this loan are to be used solely for educational expenses at Wesleyan University.

 I must report any of the following changes to the Student Loan Office of Wesleyan University if: a) I drop below half-time status, withdraw, or transfer b) My name, address, telephone number, or social security number changes c) I become entitled to any deferment or cancellation of my loan or d) my graduation date changes.
7. Payments should be made payable to "Wesleyan University." All payments and correspondence should be mailed directly to Campus Partners, P.O. Box 2901, Winston-Salem, NC 27102 or the Wesleyan Student Loan Office.
8. No charges will be deducted from or collected by Wesleyan University at or prior to the disbursement of my loan.
9. If I have other eligible student loans, I may want to consider loan consolidation. Loan consolidation may result in the loss of some loan benefits, including grace periods, loan cancellation and forgiveness, and length of repayment.

10. Based on availability of funds, the total amount of Federal Perkins Loans that I can borrow in any academic year or its equivalent is \$5,500 as an enrolled undergraduate student or \$8,000 as a graduate or professional student. The maximum cumulative amount that I can borrow is \$27,500 for an undergraduate student who has completed 2 academic years and is pursuing a bachelor's degree or \$60,000 for graduate or professional student or \$11,000 for any other student.
11. The minimum monthly loan repayment requirements, based on a five percent (5%) interest rate over ten (10) years would be approximately:
- | <u>Amount Borrowed</u> | <u>Estimated Payment</u> |
|------------------------|--------------------------|
| Up to \$ 3,000 | \$ 40 |
| \$ 5,000 | \$ 53 |
| \$15,000 | \$159 |
| \$30,000 | \$318 |
12. With proper documentation, I may qualify for a deferment if I am: a) enrolled in at least a half-time course of study at an eligible school; b) seeking but unable to find full-time employment; and c) experiencing an economic hardship. With proper documentation, I may qualify for a partial or complete cancellation of my loan if I perform qualifying service in the following fields: Teaching, Early Intervention Services, Law Enforcement or Corrections Officer, Nurse or Medical Technician, Child or Family Service Agency, Head-Start, Pre-Kindergarten or Child Care Program, Attorneys employed in a Defender Organization, Firefighters, Faculty of a Tribal College or University, Librarian, Speech-Language Pathology, Early-Childhood Education, or Military Service in an Area of Hostility.

As a result of the enactment of the Higher Education Reconciliation Act of 2005, beginning July 1, 2006, a qualified borrower may receive a military deferment for a period in which he or she meets the qualifications since July 1, 2001. The deferment cannot exceed a total of three years, and applies only to periods during which borrowers are serving on active duty during a war or other military operation or national emergency or performing qualifying National Guard duty during a war or other military operation or other national emergency. As of October 1, 2007, a qualified borrower will not be liable for any interest that might otherwise accrue on a Federal Perkins Loans, for an unlimited period during which he/she is serving on active duty during a war or other military operation or national emergency, or performing qualifying National Guard duty during a war or other military operation or national emergency, and, if the active duty service includes October 1, 2007 or begins on or after that date, the 180-day period following the demobilization date for military service. As of October 1, 2007, if a qualified borrower is serving on active duty military service on that date, or began serving on or after that date for at least a 30-day period, he/she may defer making scheduled installment payments, and will not be liable for any interest that might otherwise accrue on Federal Perkins Loans, for up to 13 months following the conclusion of service and initial grace period if he/she is a member of the National Guard or other reserve component of the Armed Forces of the United States or a member of such forces in retired status and was enrolled in a program of instruction at the time, or within six months prior to the time he/she was called to active duty. Active duty does not include active duty for training or attendance at a service school or employment in a full-time, permanent position in the National Guard unless he/she is reassigned from that position to another form of active duty service. I also understand that I may be eligible for a special incentive loan repayment program that will repay a portion of my loan for specified military service.

13. If I default on my loan, and that loan has not been reduced to a judgement as a result of litigation against me, I may request to rehabilitate my defaulted loan by making a voluntary, on-time monthly payment (as determined by the Wesleyan Student Loan Office) for nine consecutive months. If I successfully rehabilitate my loan, I will again qualify for any remaining benefits and privileges of my original promissory note, and the default will be removed from my credit history.

YOUR LOAN IS A SERIOUS LEGAL OBLIGATION.

DO NOT ACCEPT THIS AGREEMENT BEFORE YOU HAVE READ IT AND PRINTED A COPY FOR YOUR RECORDS. ACCEPTANCE BELOW CERTIFIES THAT YOU:

- **ARE AWARE OF THE BORROWED AMOUNT**
- **UNDERSTAND AND AGREE TO ADHERE TO YOUR RIGHTS AND RESPONSIBILITIES**