

THE COLLEGE OF
WOOSTER

FEDERAL PERKINS LOAN REQUEST FORM

Please complete this form and return it to us at the address (or fax number) below. If we do not receive it within 30 days of the loan award date or by July 1 before the academic year (whichever is later), your loan shall be cancelled and the funds offered to another student.

I wish to borrow a Federal Perkins Loan in the amount of \$_____ [up to the maximum in your award letter, half applied to my student account each semester] to help pay for educational expenses at The College of Wooster during the academic year 20____ - 20____. I have read and I understand the description of the Perkins Loan Program on the reverse.

(Please print.)

Student's Name _____
Last First M.I.

Social Security # _____ Date of birth _____

Home Address _____
Number and Street City State Zip code

Home telephone # _____ Class Year _____

List three individuals who would know how to contact you after you graduate from Wooster. List a parent or guardian in column 1; other relatives or friends with different addresses in columns 2 and 3. If you have borrowed a Perkins Loan previously, you need not list more than one reference.

name	name	name
number and street	number and street	number and street
city ST zip code	city ST zip code	city ST zip code
telephone #	telephone #	telephone #

Student borrower's signature _____
date

*When we receive this request form, we shall prepare the master promissory note (for first-time borrowers) and other necessary forms for you to sign in our office. The loan will be credited to your student account (one-half applied to each semester's charges) when you have completed them. Please refer to the information about Federal Perkins Loans on the back page. **If you are also eligible for a (subsidized) Federal Direct Stafford Loan, we shall accept this Perkins Loan Request Form as your request for the Stafford Loan also. Since Perkins Loan funds are quite limited, College policy requires students to borrow the Stafford Loan before the Perkins Loan.***

THE FEDERAL PERKINS LOAN PROGRAM AT WOOSTER

The Federal Perkins Loan Program at Wooster offers loans to students “with exceptional financial need” under very favorable terms. Federal Perkins Loans:

- Have no guarantee or origination fee [the entire amount you borrow is credited to your account]
- Are interest-free while you are enrolled at least half-time and during grace periods
- Do not have to be repaid until you cease to study half-time or more
- Have a fixed simple interest rate of 5%
- Offer opportunities for loan cancellation (see below for examples)

You may ask us to cancel your loan, or any portion of it, at any time before the end of the academic year. Simply direct your request to us by letter, fax, or email. Your next monthly statement of account from the business office will reflect your altered loan amount.

The program is based on a revolving loan fund. Over several years the federal government and the College provided capital contributions to create the fund. The College is the lender—the holder of promissory notes—and repayment is made to a servicing agent under contract to us.

The master promissory note (which you sign once for all of your Federal Perkins Loans at Wooster) and annual disclosure statements contain more detailed information about repayment and the annual disclosure statement provides contact information for the Perkins Loan officer at the college and for our servicing agent. As previous borrowers repay their loans, those dollars become available to make new loans to current students.

The maximum a student may borrow per year is \$4,000—within the limits of demonstrated financial need and other financial aid—but not always are sufficient funds available to offer loans at the maximum amount. The aggregate maximum an undergraduate student may borrow is \$20,000. Your outstanding loan balance is reported at least once annually to a national credit bureau.

Borrowing a Federal Perkins Loan is a serious financial responsibility. Signing the master promissory note obligates you to repay the loan, thus making funds available to future generations of Wooster students. You have an initial grace period of nine consecutive months after dropping below half-time enrollment before beginning to repay the loan and assume obligation for interest on it. You may make prepayments at any time without penalty.

The loan must be repaid within ten years, with provision for forbearance or deferment for reasons of service in the military or Peace Corps, financial hardship, poor health, etc. The minimum monthly payment is \$40. Cancellation of all or part of the loan is offered to borrowers employed in certain service professions, including:

- teachers in schools serving low-income families, or in fields of critical expertise (mathematics, foreign languages, etc.), or in head start programs;
- nurses or medical technicians;
- law enforcement or corrections officers;
- qualified professional providers of early intervention services.

The Department of Defense has a program for repayment of loans on the basis of specified military service. For more information about repayment and cancellation provisions visit <http://studentaid.ed.gov>.

If you fail to make an installment payment when due, or to comply with other terms of the promissory note or written repayment agreement, your loan is in default. Our servicing agent will ask you to submit the payment(s) due or to request deferment, postponement, or cancellation of the loan. The agent may assess late charges and collection and litigation costs. If you do not respond to a final demand notice, the agent *will* report the default to a national credit bureau, with disastrous consequences to your credit rating. If you have difficulty repaying your Perkins Loan, please stay in contact with the loan servicer to avoid these consequences.