

LAKE SUPERIOR

STATE UNIVERSITY

FEDERAL PERKINS LOAN PROGRAM — Statement of Rights and Responsibilities


A 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 you agree to honor them.

1. I understand that I must, without exception, report any of the following changes to: Lake Superior State University, Sault Ste. Marie, Michigan 49783. ATTN: FEDERAL PERKINS Loan Collections. Phone: 906-635-2592.
 - a. If I withdraw from school or transfer to another school, or drop below half-time studies.
 - b. If my name should change (for example, because of marriage).
 - c. If my address, or my parents' address changes.
2. I understand that I must promptly answer any communication from Lake Superior State University regarding the loan.
3. I understand that when I graduate or withdraw from Lake Superior State University, I must arrange for an exit interview by calling 906-635-2592.
4. I understand that my first monthly payment will be due 10 months from the time I cease to be at least a half-time student. (For borrowers who have an outstanding balance due on a Perkins Loan granted prior to 7-8-87, payment begins in seven months.)
5. I understand that my minimum monthly payment will be at least \$40. It may be more if the amount borrowed is sufficient to require larger payments.
6. 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; or six months if I have an outstanding loan granted prior to 7-1-87.
7. I understand that cancellations may be granted for certain types of employment and in the event of death or permanent disability. I also accept the responsibility to inform the school of such status. (Refer to your loan note for details of cancellation benefits available.)
8. I understand that if I return to at least half-time study at an institution of higher education, or engage in a service eligible for cancellation benefits as described by my loan note, I may request that payments on my loan be deferred. (Refer to your loan note for further types of deferment available.)
9. I understand that deferment or cancellation will not be granted until I provide your office with a completed Request for Deferment or Cancellation from or other required documentation bearing my signature and certification by proper officials.
10. I understand that if I fail to repay my loan as agreed, the total loan may become due and payable immediately and legal action could be taken against me.
11. I understand that the Department of Defense may repay my loan based on certain military service.
12. I understand I may prepay at any time. I further understand that future interest will be reduced by making such payments. I understand that the Perkins Loan may be consolidated with the Direct Loan, if applicable.
13. I understand that if I cannot make payment on time, I must contact Lake Superior State University to make arrangements before the due date of the payment. (Must result from prolonged illness, unemployment, etc., in which case you may qualify for forbearance or an economic hardship deferment.)
14. I understand a late charge may be assessed, not to exceed 20% of my payment, if I do not make a scheduled payment when it is due or submit required deferment documentation before the payment is due.
15. I authorize Lake Superior State University to contact any school which I may attend, to obtain information concerning my student status, my years of study, my dates of attendance, graduation or withdrawal, my transfer to another school, or my current address.
16. I understand that Lake Superior State University must and does report the outstanding balance and default of this loan to credit reporting agencies on a monthly basis.
17. I understand that if I should default (more than 240 days past due) on my loan, I will be ineligible for further Title IV funds and Lake Superior State University can withhold any University services.

I ATTEST THAT I HAVE READ AND UNDERSTAND THE RESPONSIBILITIES AND OPTIONS AVAILABLE TO ME, AND THAT I WILL ADHERE TO THEM.

Date

Signature of Recipient



Signature of LSSU Representative