

Federal Perkins Loan

THE FEDERAL PERKINS LOAN PROVIDES FUNDS TO UNDERGRADUATE, GRADUATE AND PROFESSIONAL STUDENTS WITH EXCEPTIONAL FINANCIAL NEED.



Eligibility

The school is responsible for the determination of eligibility and the administration of the Federal Perkins Loan Program.

Maximum Loan Limits

ANNUAL LOAN LIMITS	
Undergraduate	\$5,500
Graduate and Professional	\$8,000
AGGREGATE LIMITS	
Undergraduate with less than 2 years completed	\$11,000
Undergraduate with 2 years completed	\$27,500
Graduate and Professional (Including any Federal Perkins Loans borrowed as an undergraduate)	\$60,000

NOTE: Please contact your school for the annual and aggregate loan limits applicable if you are participating in a study abroad program.

Interest Rate and Fees

The interest rate is fixed at 5%. There are no origination or guarantee fees applicable to a Federal Perkins Loan. Also, there are no penalties for prepayment.

Loan Disbursement

Generally, there are two disbursements of the loan during the academic year.

Grace Periods

An initial grace period of nine consecutive months begins when a student leaves school or ceases to be enrolled on at least a half-time basis. A post-deferment grace period is the period of six consecutive months that immediately follows the end of a period of deferment* and precedes the date on which the borrower must resume repayment on the loan.

Repayment

A Federal Perkins Loan must be repaid within a maximum 10-year repayment term. The repayment term does not include periods of approved deferment* or forbearance**. The payment amount is due monthly, bimonthly, or quarterly as determined by the school and will depend on the total amount borrowed and the length of the repayment term. The minimum monthly payment amount is generally \$40.

* **DEFERMENT** is a temporary postponement of payments that may be granted to borrowers under various circumstances. During deferment, the borrower is not required to pay loan principal and interest does not accrue. Borrowers are not required to request deferments in writing, but borrowers who request deferment must provide the school with all the information and documents the school requires by the school's deadline.

** **FORBEARANCE** is a temporary postponement of payments that may be granted to borrowers who are experiencing financial hardship, poor health, or for other acceptable reasons. Unlike deferment, interest continues to accrue during any period of forbearance. Borrowers who request forbearance will receive a notice, confirming the forbearance agreement, from the school.

Public Service Cancellations

SCHOOLS MAY CANCEL UP TO 100% OF A PERKINS LOAN IF AN ELIGIBLE BORROWER HAS SERVED AS A:

- Full-time teacher in a low-income public or nonprofit private elementary or secondary school or a location operated by an educational service agency.
- Full-time special-education teacher (including those employed in a system administered by an educational service agency) for infants, toddlers, children, or youth with disabilities.
- Full-time teacher in the field of mathematics, science, foreign languages, or bilingual education, or in any other field of expertise that is determined by a state education agency to have a shortage of qualified teachers in that state.
- Qualifying full-time speech pathologist serving students from low-income families.
- Qualified librarian in a school serving students from low-income families.
- Full-time faculty member at a Tribal College or University.
- Member of the U.S. Armed Forces for service in an area of hostilities that qualifies for special pay.
- Full-time firefighter.
- Full-time nurse or medical technician providing health care services.
- Full-time employee of an eligible public or private nonprofit child or family service agency who is providing or supervising the provision of services to both high-risk children who are from low-income communities, and the families of such children.
- Full-time law enforcement or corrections officer, including full-time attorneys employed in a defender organization.

IN ADDITION, A FULL OR PARTIAL CANCELLATION MAY BE AVAILABLE IF AN ELIGIBLE BORROWER HAS SERVED AS A:

- Peace Corps volunteer.
- Full-time staff member in a preschool program under Head Start or a full-time teacher in a pre-kindergarten or child care program that is licensed by the state.

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Please keep in mind that eligibility for Perkins cancellation benefits is forfeited through loan consolidation. In addition, you may forfeit interest and grace period benefits. You may also be eligible for a loan discharge if, for example, you are found to be totally and permanently disabled, you have been determined to be unemployable by the U.S. Department of Veterans Affairs due to a service connected disability, or in the event of your death. Please contact your school's financial aid office for additional information on loan cancellation, discharge, and loan repayment for prosecutors and public defenders through the U.S. Department of Justice.

If you have any questions regarding the types of deferments and forbearances that are available to you, please contact your school's financial aid office.

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PHEAA/AES is one of many Guarantors participating in the Federal Family Education Loan Program (FFELP). A student or parent borrower may obtain a FFELP loan from a lender that uses PHEAA/AES as the Guarantor or any other participating lender. These materials have been developed and paid for by PHEAA/AES for informational purposes. The information contained herein is believed to be accurate at the time of printing. Due to the rapidly changing nature of the law and the industry, information contained in this document may become outdated and PHEAA/AES does not guarantee the accuracy of the information herein. You should verify that this information is correct.

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