

Please read the following important information regarding your Federal Perkins Loan.

Federal Perkins Loan Disclosure H.R. 3594

The Federal Perkins Loan Program Extension Act of 2015 authorizes institutions of higher education to award Federal Perkins Loans through September 30, 2017. Effective October 1, 2017 the program will end and no additional awards will be granted. The following information has been prepared to assist you in making future financial decisions regarding your federal student loan eligibility.

2016-2017 Federal Perkins Loan Eligibility:

In order to qualify for a Federal Perkins Loan you must have:

- Filed your 2016-2017 FAFSA by BGSU's priority filing date of March 1, 2016.
- Demonstrate high financial need as determined by your EFC (less than or equal to \$2500).
- Been considered for the maximum Federal Direct Subsidized and Unsubsidized Loans (maximum \$7500 annually for dependent student) before awarded the Federal Perkins Loan (maximum annual loan limit \$2000).
- Accepted the Federal Perkins Loan offer on your MyBGSU Student Services Center.
- Complete a Federal Perkins Loan Master Promissory Note (MPN) and entrance counseling.

2017-2018 Federal Perkins Loan Eligibility (awards subject to funding availability):

In order to qualify for a Federal Perkins Loan you must:

- File your 2017-2018 FAFSA by BGSU's ***NEW*** priority filing date of January 15, 2017. *Note the 17-18 FAFSA will be available beginning October 1, 2016 and will be based on your **2015** income tax information.
- Demonstrate high financial need as determined by your EFC (less than or equal to \$2500).
- Be considered for the maximum Federal Direct Subsidized and Unsubsidized Loans (maximum \$7500 annually for dependent students) before awarded the Federal Perkins Loan (maximum annual loan limit \$2000).
- Accept the loan and receive your first (fall 2017) disbursement by September 30, 2017 in order to receive any subsequent disbursements for the spring 2018 semester.

Federal Perkins Loan Repayment:

Repayment of a Federal Perkins Loan begins 9 months after graduation, the borrower drops below ½ time status or withdrawals from the University. This 9 month period is called the grace period. Since this loan is considered a subsidized loan, the government pays for the interest during this period of time. All remaining payments are the responsibility of the borrower.

Federal Perkins Loan Cancellation:

Under the Federal Perkins Loan Program, you may be entitled to have up to 100% of the original principal loan amount forgiven on your loan if you perform qualifying service in an eligible profession such as teaching, early intervention, law enforcement or corrections, nurse or medical technician, child or family service, attorney in a defender organization, firefighter, Tribal or University faculty, librarian,

speech-language pathologist, service in an early childhood education program, military, and volunteer service. Refer to your Federal Perkins Master Promissory Note for eligibility and details.

Consolidating Student Loans:

Advantages of Consolidation	Disadvantages of Consolidation
<ul style="list-style-type: none"> Combine multiple loans into one monthly payment to one servicer Access to additional repayment plans. For example, the income-driven repayment plan; currently not available under the Federal Perkins Loan, may help to reduce monthly payments. Up to 30 years for repayment (depending on your loan balance) 	<ul style="list-style-type: none"> Reduced monthly payments and extended life of the loan increases the amount of interest paid. By consolidating a Federal Perkins Loan the borrower forfeits all Perkins cancellation benefits. By consolidating a Federal Perkins Loan the borrower forfeits their 9 month grace period.

Federal Loan Comparison:

Features	Perkins Loan	Direct Subsidized Loan	Direct Unsubsidized Loan	Parent Loan for Undergraduate Students (PLUS)
Interest Rate (7/1/16 – 6/30/17)	5.00% fixed; will not change while program is active	3.76% fixed; subject to change every July 1	3.76% fixed; subject to change every July 1	6.31% fixed; subject to change every July 1
Grace Period & first interest payment	9mo grace period – interest payments begin when grace period has expired	6mo grace period – interest payments begin when grace period has expired	6mo grace period – interest payments begin upon 1 st disbursement	No grace period – principal & interest repayment begins upon 1 st disbursement
Eligible for Direct Consolidation Loan Program?	Yes	Yes	Yes	No
Eligible for multi repayment & loan forgiveness options?	No – repayment period is maximum 10 years	Yes	Yes	Yes

For additional information on interest rates, repayment options, and consolidating loans visit:
<https://studentaid.ed.gov>

BGSU Student Financial Aid

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Bowling Green, OH 43403-0145
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Fax: (419) 372-0404
Web site: <http://www.bgsu.edu/financial-aid.html>
AskSFA: <http://sfa.bgsu.edu/asksfa>