



UNIVERSITY OF NORTHERN IOWA PERKINS LOAN RIGHTS AND RESPONSIBILITIES

Servicer: University Accounting Service (**UAS**) is the loan servicing company UNI has partnered with to service our Perkins Loans. UAS will be providing billing statements and grace notices. They will process your deferment and cancellation forms as well as apply all of your payments. UAS should be your first call with any questions concerning your loan as they are doing the day to day work of servicing your loan.

Send payments to:

University Accounting Service
PO Box 5865 (payments)
Carol Stream, IL 60197-5865

Send correspondence/forms:

University Accounting Service
PO Box 918
Brookfield, WI 53008
Phone: 1-800-999-6227

For loan information:

www.uasecho.com

Exit interviews:

www.myloancounseling.com

Lender: The University of Northern Iowa is the lender on your Perkins Loan. We can be contacted year round, even when school is not in session, between 8:00 and 4:00.

University of Northern Iowa
Office of Business Operations
ATTN: Perkins Loans, Gilchrist 103
Cedar Falls, IA 50614-0008

Phone: 319-273-6441

Fax: 319-273-3009

Email: joyce.willms@uni.edu

Addresses: You are responsible for keeping UAS or our office informed of any changes in your name, address, telephone number, or email address. Changing your address with UNI's Registrar will **not** change it for your Perkins Loan. You must notify us separately from the Registrar or any other department on campus.

Grace Period: You have a nine-month grace period following your date of leaving UNI. During this time, no interest accrues and no payments are due. You will be sent notices, by email, during your grace period to keep you informed of the date your grace period ends and your repayment begins.

Interest Rate: The interest rate on all Perkins Loans is fixed at 5%.

Repayment: Your repayment will begin the first of the month following the end of your grace period.

Credit Bureau Reporting: All Perkins Loans are reported to national credit bureaus every month. This started when you received your first disbursement and will continue monthly until seven years after your loan is paid in full. If you pay your loan on time or file any deferment, postponement or cancellation forms on time, you will have an excellent credit rating on the loan. However, any payment made thirty days late or more will also be reported on your credit history. It is very important that you contact UAS or UNI before your due date if you are unable to make the payment or feel you are eligible for deferment, postponement or cancellation. Filing a form late is reported the same as if you make a payment late. We do not change credit bureau history. We will correct it if it is wrong, but we do not remove late payments that were correctly reported.

Holds: UNI places a hold on accounts if the exit interview information has not been completed and returned, or on accounts that are 30 days past due. This hold will deny transcripts and will not allow you to register for classes until either the information is received or your account is brought current.

Default: Technically, a loan is in default when you have missed a payment or shown an unwillingness to repay the loan. Defaulted students are not eligible for financial aid at UNI or elsewhere, not eligible for transcripts until the default is cleared, cannot register for classes at UNI until the default is cleared, and will have the default reported

to the credit bureau and will become a part of your credit history. Legal action may be taken against you to collect the amount owed on a defaulted loan. If efforts by the school fail to collect the amount owed your defaulted loan may be assigned to the Department of Education. This means UNI would no longer service your loan. The Department of Education would be the loan holder and would use every available resource to collect the debt.

Late Fees: UNI charges a late fee of up to 20% of the payment due. To assure that no late fees are incurred, you should have payment or forms in our office by the 12th of every month.

Collection Costs: We are required to pass on any collection costs or fees to a borrower whose past due account has been placed with a collection agency. Our agencies charge us a percentage based on the amount of principal, interest, late fees, and miscellaneous fees placed.

Consolidation: Perkins Loans are eligible for consolidation along with your Stafford Loans and other federally funded loans. This means your Stafford lender will buy your other loans, making a new consolidated loan. One advantage in doing this is that the repayment period can be extended to a longer period of time than either the Stafford or Perkins, making your monthly payment lower. The disadvantage of including your Perkins Loan is that you will lose all deferment/cancellation benefits associated with the Perkins Loan.

Deferments: All loans are eligible for deferment as long as you are at least a half-time student at UNI or another institution. UAS subscribes to a service that updates us on attendance at other schools. However, it is the borrower's responsibility to be sure we are informed of your continued education. All loans are eligible for forbearance, which is a type of hardship deferment. There is also unemployment deferment available if you are not employed or employed only part time. If you find yourself unable to make a payment because of your financial situation, call UAS for information on your options. Generally, deferments put off principal payments and stop the accrual of interest during both the time of your participation and for a six-month grace period following. Forbearance deferment defers only the principal (interest continues to accrue) and has no grace period following the end of the deferment.

Cancellations: Cancellation benefits are based on when you borrowed your Perkins Loan, the type of employment you have, if the employment is full time, and that your employment meets the criteria set by the Department of Education. Teaching in a low-income school, high-need field, or other public service employment are some examples of qualifying employment. For further information on any cancellation benefits refer to your promissory note or contact our office. It is possible to have your entire loan cancelled instead of having to make any payments. **Your written request and certified form must be on file to receive this benefit.**

Prepayment: There is no penalty for prepayment (paying your loan off more quickly than scheduled).

Student Loan Ombudsman's Office: If you dispute the terms of this loan in writing and the institution does not resolve the dispute, you have the right to contact the Student Loan Ombudsman's Office at the Department of Education.

Website: www.ombudsman.ed.gov or www.sfahelp.ed.gov

Telephone: 1-877-557-2575 or 202-377-3800

Email: fsaombudsmanoffice@ed.gov

Fax: 202-275-0549

Rehabilitation: If you default on your loan, you may request to rehabilitate it. You must request this benefit in writing to our office. Rehabilitation requires you to make nine consecutive monthly payments. Once those payments have been made, we will bring your loan into a current status and remove all late payment information on the loan from your credit bureau file. You will again be eligible for deferments and cancellations after the rehabilitation is complete. **This is a one-time only benefit.** Once a loan has completed rehabilitation, it cannot be done again.