

FEDERAL PERKINS (NDSL) STUDENT LOAN PROGRAM STATEMENT OF RIGHTS AND RESPONSIBILITIES

The highlights of your Promissory Note(s) are re-stated here together with our procedures for handling loan accounts. The Perkins loan you received at Mesa State College is a serious legal obligation and must be repaid. It is extremely important that you understand your Rights and Responsibilities, and complete the exit interview process.

Your loan is one of your first opportunities to establish good credit. According to Federal Law, we've notified the credit bureaus of this debt, and your co-maker's also, if applicable. We send updates to the credit bureaus for the life of your loan. A favorable rating on this loan will put you in good standing when you need credit elsewhere. A poor rating will affect both you and your co-maker.

At the time you leave school, or just prior to it, you are entitled to an exit interview. During this interview, your repayment schedule is executed and made a part of your Promissory note. Your first payment is due 9 months from the date you leave school. As payments become due, interest accrues on your unpaid balance at an annual percentage rate of 5%. Payments are based upon the total amount borrowed, and will be a minimum of \$40.00 for monthly payers or \$120.00 for quarterly payers on notes executed on or after October 1, 1992. (The minimum payment is \$30.00 for monthly payers or \$90.00 for quarterly payors for loans made prior to October 1, 1992.) Payments will be applied first to collection costs, late charges, accrued interest, and then to the principal balance. The maximum repayment period is 10 years.

Your loan(s) must be repaid even if you did not complete your degree program, you are dissatisfied with the education or other services you received, or are unable to find employment. All payments and correspondence regarding your loan should be sent to MESA STATE COLLEGE; Business Office; 1100 North Avenue; Grand Junction, CO 81501; (800)982-6372, x1568 or (970)248-1568. You always have the right to prepay all or any portion of your loan(s) without a penalty, and such payments will reduce the total amount repaid. Payments in excess of your standard payment amount will be applied to the principal balance, and will not be considered an advance payment unless noted otherwise.

Until your loan is paid in full, you are required to notify us of any changes in the following personal information or circumstances: name, address or telephone number, parent's address or telephone number, Social Security number or driver's license, if you withdraw or drop below 6 credit hours, and if you transfer to another school. You are also required to promptly respond to any communication from us regarding your loan(s).

Your Promissory note allows for deferment of your repayments and partial cancellation of your loan under certain circumstances. We approve these benefit requests upon receipt of an application form from you. An application is sent upon your request and processed promptly upon receipt. An approval or disapproval letter with an explanation of our action, along with the due date of your next payment or application form, is then mailed to you. Do not allow payments to become past due because you think you are eligible for a deferment or cancellation. Any payments which become due prior to our receipt of your application must be paid in order for us to process your application. Chronic lateness in filing an application is treated as a default.

A payment is late if we RECEIVE it one or more days past the due date. A late charge of 20% of your payment amount will be assessed, and is deducted from your payment amount even if not included. Once your account is past due (in default), we have the option to call due the entire unpaid balance, plus interest and late charges (acceleration). If you default on your loan(s), you will be ineligible for further Title IV funds, and our school or other schools may withhold future services. When an account reaches default status we are also required to take the following steps:

- > Report your default to any other college you may attend,
- > Report your default to regional and national credit bureaus,
- > Assess substantial collection fees and penalties,
- > Refer your account to a collection agency or lawyer.

If the default continues, your loan is sent to the U.S. Dept. of Education, and they continue to pursue repayment. This pursuit can be costly and of long duration, as this loan can not be discharged in bankruptcy or any statute of limitations does not apply.

Should you dispute the terms of this loan in writing, we must resolve that dispute in a timely manner. If you are not satisfied with the terms of the resolution, you may contact the FSA Office of the Ombudsman at (877) 557-2575 or www.ombudsman.ed.gov for their assistance.

Student loan information is available to you on the National Student Loan Database System (NSLDS) at www.nsls.ed.gov or (800) 4FEDAID. If you have several student loans, you might consider loan consolidation. Loan consolidation results in a single monthly payment, and several flexible repayment options may be available. For further information or applications, contact the following organizations that provide loan consolidation...

US Dept. of Education	(800)557-7392
Nelnet/CSLP	(888)696-5660
Sallie Mae	(888)272-4665

We will record your payment promptly and keep accurate records of your loan(s). A statement of your account will be provided to you upon your request. While you are repaying your loan(s), we will use those funds to help new students. We will also respond to any other firm to whom you have applied for credit. We may also contact any other school you may attend to obtain information concerning your student status and current address. Once you have repaid your loan(s) in full, we will return your promissory note marked Paid-in-Full and record a favorable credit rating with the credit bureaus.

We hope you agree that this loan is a serious business transaction that deserves to be treated in a professional manner by both parties. Your signature below acknowledges that you have received, read, and understand the above responsibilities, and agree to adhere to them.

Signature _____ Date _____

SSN _____