

**STATEMENT OF RIGHTS AND OBLIGATIONS FOR
FEDERAL PERKINS/PERKINS/NDL/PSL/PCL AND UNIVERSITY LOAN PROGRAMS**

1. I understand that I have received a loan(s) and that the loan(s) must be repaid in accordance with the loan repayment schedule(s) provided me in my exit packet.
2. I fully and completely understand that I must, without exception, report any of the following changes and/or information to:

Pennsylvania State University
Office of Student Loans and Scholarships
108 Shields Building
University Park, PA 16802-1222

PHONE: 814-865-0461 **FAX:** 814-865-6535 **WEB SITE** <http://www.studentloans.psu.edu>.
 - a) If I change my name, address, telephone number and/or social security number
 - b) If I transfer to another University
 - c) If I cannot make payments as scheduled
 - d) If I am eligible to receive a deferment, forbearance, cancellation, or postponement that is listed on the Deferment and Cancellation sheet, included in my exit packet.
3. I understand all deferment, cancellation, forbearance and postponement privileges for my loans. (Please refer to the Deferment and Cancellation Information Sheet, located in my exit packet)
4. I understand that I must complete and mail all appropriate forms to the Office of Student Loans and Scholarships in a timely manner if I am eligible for any of these privileges.
5. I understand and have been given a copy of my Disclosure Statement and Loan Repayment Schedule for any and all federally assisted and/or University loan(s) that I received from Penn State.
6. I understand the annual percentage rate(s), total loan amount(s), grace period(s), and date(s) of first payment(s) for my loan(s).
7. I understand that a no interest, no repayment period is established at the time of initial termination of at least half-time student status. This period of time is referred to as the "Grace Period". The length of my account's "Grace Period" is determined by loan type and is noted on the Deferment and Cancellation Information Sheet.
8. I understand that I have the option (without penalty or premium) of repaying my loan in full or partially during the "Grace Period" totally interest free. In addition, the loan balance(s) may be paid off in full at any time during the actual scheduled repayment period and would include any accrued interest to date.
9. I understand that I must promptly answer any communication from Penn State regarding my loan(s). All correspondence, concerning my loan(s), must be mailed to the Office of Student Loans and Scholarships at the address mentioned above.
10. I understand that all payments must be made payable to The Pennsylvania State University, and that my checks must be mailed with the appropriate portion of the billing statement to the address mentioned above. My PSU ID must be indicated on all correspondence and checks to identify my loan(s). I can also sign up for automatic payment deduction (PSU Autopay) or make a payment online via "My Loans" on the Office of Student Loans and Scholarship's web site (<http://www.studentloans.psu.edu>).
11. I understand that I must contact the Office of Student Loans and Scholarships prior to the scheduled due date and advise when the payment due will be remitted if any scheduled payment cannot be met on time. The following actions will take place, if the amount past due or adequate arrangements are not met by the corresponding time periods:
 - a) The repayment plan of the loan will be changed to a monthly basis after fifteen (15) days.

- b) A late payment fee may be automatically assessed and charged for each individual scheduled payment, on or after fifteen (15) days past due, at a rate not to exceed twenty percent (20%) of each past due payment.
- c) A "Final Notice" will be sent after sixty (60) days.
- d) The loan will legally enter a default status after ninety (90) days.
- e) Upon such default or failure, a stop-hold will be placed on your academic records which will cause transcripts to be withheld and future registration denied. All deferment and cancellation rights will also be forfeited, at this time.
- f) Such defaulted loans are eligible to be referred to a licensed outside collection agency. At this time, the loan will be fully accelerated for the complete and remaining balance, which includes total net balance of principal, accrued interest, late payment fee assessments and all reasonable collection costs. Collection fees can be assessed and charged up to thirty percent (30%) of the loan amount(s) as specified in my Promissory Note(s) for first time collection agency placements and forty percent (40%) if placed with a collection agency for the second time or more. My loan may become eligible for litigation, if adequate arrangements are not met with the collection agency. All attorney fees and court costs, incurred during litigation, will be assessed to my account.
- g) My loan(s) may be reported to a national credit bureau. If my loan(s) fall past due, the delinquent rating will continue to be reported on a monthly basis for approximately seven (7) years.
- h) If the collection agency determines that my Federal Perkins/Perkins/NDSL/HPSL/PCL loan is uncollectible, it may be assigned to the Department of Education.

12. I understand that if I have a Federal Perkins/Perkins/NDSL/HPSL or PCL loan and I am interested in loan consolidation, information may be obtained from the following source:

U.S. Department of Education
 Consolidation Department
 Loan Origination Center
 PO Box 242800
 Louisville KY 40224-2800
 phone: 800-557-7392
 web-site: <http://www.loanconsolidation.ed.gov>

13. I understand that any questions I have regarding repayment of a Federal Direct Stafford Loan must be obtained from my lender or Penn State's Office of Student Aid.

14. I attest that I have read and understand my Rights and Obligations and that I will adhere to them.

SIGNATURE OF BORROWER

DATE

PSU ID