

## Federal Perkins Loan Disclosure Statement

You are eligible to receive Federal Perkins Loan funds through September 30, 2017 under the Federal Perkins Loan Program Extension Act of 2015. Absent Congressional action to reauthorize the Federal Perkins Loan Program, the program will expire on 9/30/2017. Federal Perkins Loan disbursements are now subject to the following terms and conditions of the Extension Act:

**Loan Limits** - To be eligible to receive a Perkins Loan, you must have been awarded the maximum annual Direct Subsidized Loan and in certain cases the maximum annual Direct Unsubsidized Loan for which you are eligible. An undergraduate student who is awarded a Direct Subsidized Loan and/or a Direct Unsubsidized Loan can decline one or both of the loans (or request a lesser amount). However, the student's Direct Loan eligibility amounts must be included in the calculation of the undergraduate student's Perkins Loan amount, regardless of whether they actually borrow that full amount. The Federal Perkins Loan program has varying loan limits depending on your year in school, dependency status, and amount awarded by the institution. Limits for undergraduates are \$5,500 per year with a maximum of \$27,500.

**Subsequent Disbursements** - If an eligible undergraduate student borrower receives a disbursement of a Perkins Loan after June 30, 2017, and before October 1, 2017 for the 2017-2018 award year, the student may receive any subsequent disbursements of that Perkins Loan.

**Enrollment Status** - If you do not maintain an enrollment status of at least half-time, your loan will enter repayment after the 9-month grace period.

**Repayment** - Repayment and accrual of interest at an annual rate of 5% will begin following the expiration of your grace period. The full loan amount with all interest and fees is generally paid within ten (10) years. The minimum monthly repayment of this loan is \$40.00. You may prepay this loan, make loan payments before they are required, or in amounts that are greater than required, at any time without penalty. In some circumstances the loan may be deferred for student status, economic hardship, unemployment, military service, or cancellation service. A Department of Defense repayment program may be available for specified military service.

**Consolidation, Forgiveness, and Alternative Repayment plans** - Perkins Loan borrowers have the option to consolidate their Perkins Loans with other federal education loans into a Direct Consolidation Loan. Consolidating your federal education loans can simplify your payments, but it can also result in the loss of some benefits. If you increase the length of your repayment period, you'll also make more payments and pay more interest. Please weigh the pros and cons and decide if a Direct Consolidation Loan is right for you. More information can be found at <https://studentaid.ed.gov/sa/repay-loans/consolidation>. Perkins Loans may not qualify for some forgiveness benefits that are available to Direct Loan borrowers. Please review your forgiveness options at <https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation>.

**Direct Loan Limits and Federal Loan Interest Rate Comparison** – Direct Subsidized and Unsubsidized loans have varying loan limits depending on your year in school, dependency status, and amount awarded by the institution. In general aggregate loan limits are \$31,000 for dependent students and \$57,500 for independent students. More detailed information regarding loan limits between subsidized and unsubsidized loans can be found at <https://studentaid.ed.gov/sa/>. For loans disbursed on or after July 1, 2016 and before July 1, 2017 the interest rate comparison is:

Loan Program	Interest Rate	Degree Level
Subsidized Direct Loan	3.76%	Undergraduate
Unsubsidized Direct Loan	3.76%	Undergraduate
Federal Perkins Loan	5.00%	Undergraduate and Graduate

Please contact the TCU Office of Scholarships and Student Financial Aid at (817) 257-7858 if you have any questions or concerns regarding your loans.