

INSTITUTIONAL LOANS

Presented by:

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&

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Heartland ECSI

Presentation Overview

- Historical Background
- Financial Aid Requirements
- Business Process



About LMU

- Founded in 1911
- LMU is a Catholic university rooted in the Jesuit and Marymount traditions
- Enrollment:
 - UG - **6162**
 - GR - **2099**
 - Law School- **1034**
- LMU is located in West Los Angeles and is among the nation's most beautiful and green campuses



About Heartland ECSI

- Over 40 years focused on Higher Education
- Trusted partner of 2,800+ colleges and universities
- Over 7 million accounts managed
- \$2+ billion in debt currently being managed
- Over 10,000 different loan types serviced through the flexibility of the proprietary Fund File
- 99.9% client retention rate
- 84% Net Promoter Score | In the top 10% of companies using Net Promoter Score (Southwest Airlines, Amazon, etc.)
- Largest campus based loan servicer
- Preferred Perkins Loan Servicer for U.S. Department of Education



Historical Process

- Funding Institutional Loans
- Donors
 - Miyawaki Student Loan
 - Hanna Weitz Graduate Student Loan
 - Jack Shandler Student Loan
 - Fritz B. Burns Student Loan
 - LMU California Student Loan
- Revolving Loan fund

Where does the money come from?

- School Donors
 - Varying Terms and Conditions
- School Self-Funding (Midwestern University Case Study)
 - Work with institution's banking partner
 - Municipal Bond Issuance
 - Data Analytics (NSLDS and other data)
 - Low Defaults (Direct, Grad Plus, and Inst)
 - Solid Repayment History
 - Assets & Liabilities Separate
 - Managed via Third Party Trustee
 - Alternative to Grad Plus (cap concerns)
 - Offer Lower Int Rate/No Origination Fees

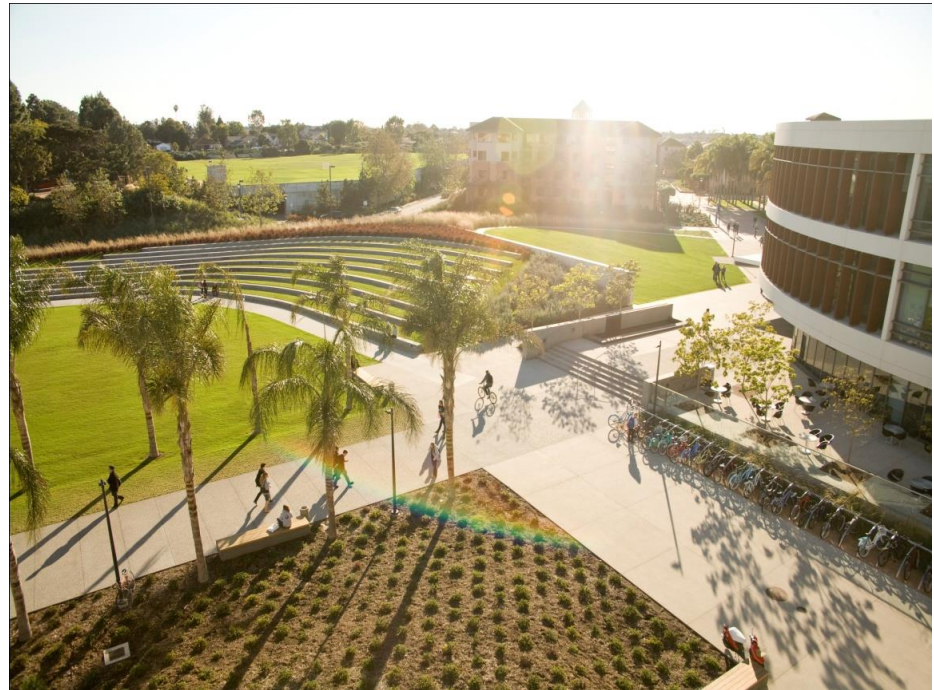


Financial Aid Requirements

- Original intent – Sophomores
- 1990 – Freshmen
- 2000-2001 - Merit Scholars - \$20,000/yr
- 2002-2003 - Loans reduced to \$5,000/yr to minimize risk
 - Guarantor
 - Credit checks performed
- 2006 – Present - Requirements were revised to award based on need
 - In lieu of Perkins, students were given \$2,500/yr or up to \$4,000/yr on appeal

Financial Aid Requirements

- Good academic standing
- Full-time student
- United States citizen
- California residents



Business Process

- Promissory Note
- The promissory note was modeled after the Perkins
 - 10 year repayment plan
 - options of deferments
 - Co-borrower
 - Interest free
 - 10% if borrower defaults
 - Late fees
 - Collection Costs
- Vetted through Legal counsel

20--20-- PROMISSORY NOTE - PERMANENT RESTRICTED STUDENT LOAN FUND TRUST

For value received, I, _____ promise to pay to Loyola Marymount University Permanent Restricted Student Loan Fund Trust ("LMU Student Loan Trust") located at 1 LMU Drive, Los Angeles, California 90045-2659, the total sum of the amounts that are advanced to me and acknowledged in the Schedule of Advances set forth below, together with all attorney's fees, costs, expenses and charges incurred in connection with enforcement or collection of any amount under this Note or to obtain any other relief to which the LMU Student Loan Trust may be entitled. This attorney's fees and costs provision is applicable to this entire Note.

SCHEDULE OF ADVANCES

AMOUNT	ACADEMIC YEAR	DATE	SIGNATURE OF BORROWER
\$	20--/20--		
\$			

I further understand and agree that:

I. GENERAL

All funds advanced under this Note are drawn from a fund created by the Weingart Student Loan Fund Trust for the purpose of advancing loans to students in attendance at Loyola Marymount University ("LMU"). This Note and the rights and obligations of the parties and any subsequent holder shall be governed in all respects by the laws of the State of California.

II. DEFAULT & ACCELERATION OF PRINCIPAL & INTEREST

Absent default, this loan shall be without interest while the student is in attendance at LMU and during a six month grace period following cessation of borrower's status as a full-time undergraduate student at LMU and for so long thereafter as all payments are timely made without default during the repayment period. Each of the following is a "default" under this Note: (a) any late or unpaid installment payment on this Note which failure is not fully cured within thirty (30) days after written notice to your address of record with LMU; and, (b) any failure by you to perform any obligation, including without limitation any failure to make timely payment, under any other agreement or note between you and LMU, which failure is not fully cured within thirty (30) days after written notice to your address of record with LMU. Upon default, the entire unpaid balance of this Note shall become immediately due and payable with interest thereon from the date(s) of the advance(s) at the rate of ten percent (10%) per annum until paid.

This Note shall be also become immediately due and payable upon demand of the holder hereof if, in the sole and absolute discretion of the holder, the borrower becomes insolvent or admits to an inability to pay debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee or receiver; or in the absence of such application, consent or acquiescence, a trustee or receiver is appointed for the borrower and is not discharged within thirty (30) days; or the borrower makes an assignment for the benefit of creditors; or any bankruptcy, debt arrangement or other proceedings under any bankruptcy or insolvency law is instituted by or against the borrower, and if instituted against the borrower, is consented to or acquiesced in by the borrower or remains for thirty (30) days undismissed.

III. REPAYMENT

Repayment must begin no later than six months after I cease to be a full-time undergraduate student in good standing at LMU. In no event shall my repayment begin later than six months after my graduation from LMU. Full repayment may not exceed 10 years after cessation of full-time undergraduate student status at LMU or undergraduate graduation therefrom, whichever is earlier. *Repayment is required to be made in accordance with the repayment schedule provided by Loyola Marymount University reasonably concurrent with or following cessation as a full-time undergraduate student at LMU.* In no event shall LMU assign a monthly payment less than \$50 per month. A qualifying student may be less than full-time only in the semester in which (s) he will complete his/her degree requirements. I understand that this loan and information regarding its repayment will be reported to a national credit bureau.

IV. PREPAYMENT

I may, at my option and without penalty, prepay any all or any part of the indebtedness.

V. ADDRESS CHANGE

I am responsible for informing the LMU Controller's Office of any change or changes in my address/name so long as any portion of this Note remains unpaid. The address provided by the borrower to the LMU Controller's Office at the time of signing this Note and any changes reported to the LMU Controller's Office hereunder shall constitute the borrower's address of record with LMU for purposes of this Note.

VI. DEFERMENT

LMU may, in its sole and absolute discretion, grant limited payment deferments. Generally, LMU will consider granting a payment deferment as follows: (1) for up to 3 years during any period that the borrower is enrolled fulltime in a post graduate program at an accredited college or university; (2) for up to 3 years while the borrower is serving in the United States military on full time active duty; (3) for up to 2 years during the period in which the borrower is disabled and unable to work; (4) if the borrower returns from an approved leave of absence and re-enrolls as a full-time undergraduate student at LMU in order to complete studies for an undergraduate degree.

Applications for a payment deferment must be made on deferment application form(s) provided by the LMU Controller's Office and submitted in a timely manner. Deferment application forms for a semester will not be accepted after the final date of that semester. No deferments are effective unless and until granted in writing.

VII. LATE PAYMENT FEE

If I fail to make timely payment of all or any part of a scheduled installment, I understand and agree that I am responsible for a late payment fee and I agree that the amount of such fee(s) become part of this Note obligation until paid.

VIII. GUARANTEE OF PAYMENT

We, the undersigned, jointly and severally, guarantee payment of this Note, and all advances made pursuant thereto, together with all attorneys' fees, expenses and costs. We waive any presentment or notice, including any notice of any default. We also acknowledge that our joint and several obligation is independent of any exoneration or discharge of student borrower.

We acknowledge receipt of a copy of this Promissory Note. *We are aware that this Note and this student loan program under which it is issued allows for future advances beyond the initial amount to the student borrower. As a result we understand that my liability, will increase to the extent of all such future advances.* We further certify that we are aware of the procedures to be followed when making payments.

Signature of Student Borrower _____

Date _____ Anticipated Graduation Date _____

Permanent Address _____
Street or Box Number, City, State and ZIP Code Telephone #

Printed Name of Guarantor(s) _____

Signature of Guarantor(s) _____ Date _____

Permanent Address _____
Street or Box Number, City, State and ZIP Code Telephone #

Business Process

- Heartland ECSI Promissory Note
- The promissory note also modeled after the Perkins
 - 10 year repayment plan
 - options of deferments/no service cancellations
 - No Co-borrower
 - Credit Scoring?
 - Interest rate (whatever deemed appropriate)
 - Late fees
 - Collection Fees*
- If utilized should be Vetted through school's Legal counsel

Business Process

I understand and accept that if I fail to pay my student account bill or any monies due and owing {Institution Name} by the scheduled due date, and fail to make acceptable payment arrangements to bring my account current, {Institution Name} may refer my delinquent account to a collection agency. I further understand that I am responsible for paying the collection agency fee which may be based on a percentage at a maximum of {Institution maximum percentage} percent of my delinquent account, together with all costs and expenses, including reasonable attorney's fees, necessary for the collection of my delinquent account.

Section A: Borrower Section

1. Name(last, first, middle initial) and
Permanent address (street, city, state, zip code)

2. Social Security Number

3. Date of Birth (mm/dd/yyyy)

4. Home Area Code/Telephone Number (

5. Driver's License(list state abbreviation first)

Section B: School Section

6. School Name & Address

7. Annual Interest Rate

TERMS AND CONDITIONS

1. PROMISE TO PAY - For the value received hereunder, I, the undersigned, promise to pay (the "School") or its order, the principal sum of \$_____, plus interest and other fees which may become due as provided in this Note (each and every such sum, interest and fee being collectively referred to as the "Loan"). I understand that by accepting any disbursements issued at any time under this Note I am promising to repay the Loan in accordance with the terms of this Note. I understand that I may cancel or reduce, as the case may be, the amount of this Loan by not accepting or by returning within 5 business days of receipt all or a portion of any disbursement issued to me. If I do not make any payment on the Loan as and when required under this Note, I also promise to pay all reasonable collection costs that the School incurs in connection with any effort to collect such payment, including, without limitation, attorney fees, court costs and other fees. I understand that the School will report the amount of my installment payments, along with the amount of this loan to at least one national credit bureau. I ACKNOWLEDGE THAT I HAVE READ ALL OF THE TERMS AND CONDITIONS OF THIS NOTE PRIOR TO SIGNING THIS NOTE. This Loan has been made to me without security or endorsement. My signature certifies I have read, understand and agree to the terms and conditions of this Note.

2. REPAYMENT - I agree and acknowledge that I am obligated to repay the principal and the interest that accrues on my Loan to the School over a period beginning 6 months after I cease to be a student at the School or a comparable institution of higher education and ending 10 years later (the "Repayment Period"), unless I request in writing that my repayment period begin sooner. I understand that the School may report the amount of my installment payments, along with the amount of this Loan, to one or more national credit bureaus. Interest on this Loan shall accrue from the beginning of the Repayment Period. I further understand that my Repayment Period may (i) be shorter than 10 years due to the minimum monthly payments that I am required to make pursuant to Section 7 of this Note, or (ii) may be extended due to deferment or forbearance as provided for in Section 9 and 10 of this Note. I agree to make my installment payments in equal monthly installments as determined, in accordance Section 7 of this Note, by the School. **3. LATE CHARGES** - I acknowledge that the School may impose a late charge not to exceed 20% of my monthly payment if I do not make a scheduled payment when due or if I fail to submit to the School within 15 days of any scheduled monthly payment date a properly documented request, as described below, for any of the forbearance or deferment benefits. I agree that the School may add the late charges to my principal the day after the scheduled payment was due or include it with the next scheduled payment after I have received notice of the charge, provided that such notice is sent before the next installment is due.

4. FORBEARANCE OR DEFERMENT - I may apply for forbearance or deferment of my Loan in accordance with Sections 9 and 10 of this Note. During a duly authorized forbearance period, I understand that payments of principal and interest, or principal only, will be postponed or reduced but that INTEREST WILL CONTINUE TO ACCRUE WHILE MY LOAN IS IN FORBEARANCE. During a duly authorized deferment period, I understand that I will not be required to make scheduled installment payments on my Loan. I understand that I am responsible for submitting the appropriate requests on time and that I may lose my benefits if I fail to file my request on time.

5. DEFAULT - I understand and acknowledge that the School may, at its option, declare my Loan to be in default if I fail to make scheduled payments for at least 270 consecutive calendar days. I understand that the full remaining loan amount, including late payment penalties and/or other fees and charges will become due and payable immediately upon default. I am responsible for paying all collection fees and costs to include court cost and attorney fees, while this loan is in default and is not eligible for a deferment or forbearance. I understand that the school reserves the right to report the borrowers default status to any/all national credit bureaus. I understand that I will lose my right to defer payments and my right to forbearance if I default on my Loan. Upon default, the school may accelerate the outstanding amount of my defaulted Loan. Acceleration means that the School demands immediate payment of the entire unpaid balance of the Loan, including principal, interest, late charges and collection costs. If this Note is not paid at maturity, whether by acceleration or otherwise, the School shall have all of the rights and remedies provided by any law or this Note.

6. CHANGE OF STATUS - I acknowledge and agree that I am obligated to promptly inform the School in writing of any change in my name, address, telephone number, Social Security Number or driver's license number.

7. MINIMUM MONTHLY PAYMENTS - I agree that I will make fixed monthly payments and repay the Loan in full within the Repayment Period or other applicable repayment term agreed to by the School (not including periods of deferment or forbearance) from the date the Loan enters repayment. I understand and agree that the School will determine the amount of my fixed monthly installment so as to provide for repayment in full of the Loan in accordance with the immediately preceding sentence. I understand that regardless of my Loan amount that there is a minimum payment requirement of \$50 each month and that the monthly payment will be more, if necessary, to repay the Loan in equal monthly installments within the Repayment Period. I agree that the School reserves the right to round installment payments up to the nearest \$5 increment.

8. DISCHARGES - To the fullest extent permitted by law, I agree and acknowledge that the Loan may only be discharged upon my death or total/permanent disablement, as defined under Social Security Administration provisions. Proof of such must be submitted to the School in order for the Loan to be discharged.

9. FORBEARANCE - I understand that I may request forbearance of my Loan. Forbearance is renewable at intervals of up to 12 months for periods that do not exceed 3 consecutive years. INTEREST WILL ACCRUE DURING PERIODS OF FORBEARANCE. In order to receive forbearance or any renewal thereof, I understand that I must submit a written request to the School for forbearance at least 15 days prior to the due date of my next payment date and that such letter must indicate the number of months, not to exceed 12 months, for which I am seeking forbearance and whether I am seeking forbearance of principal and interest or principal only. I understand that the School will have no duty to grant any forbearance if I do not strictly satisfy the terms of the immediately preceding sentence. If my request is received less than 15 days before the due date of my next payment, I understand that forbearance will not take effect until the next subsequent due date.

10. DEFERMENT - I understand that I may apply to the School for an In-School Deferment or an Economic Hardship Deferment, and I acknowledge and agree that the School will only grant such a deferment if it has determined, in its sole discretion, that I have met the criteria set forth below:

- A. **In-School Deferment** - I must be enrolled and attending classes at an accredited school/college as a degree-seeking student and must be enrolled in at least a half-time course of study. To apply for an In-School Deferment, I must send the School proof that I meets the terms of the In-School Deferment each term (i.e., semester, quarter, etc.).
- B. **Economic Hardship Deferment** - If I am experiencing financial difficulties, I may apply for an Economic Hardship Deferment. To apply, I must either: (i) complete and submit an Application for Economic Hardship Deferment to the School and provide all supporting documentation requested by the School; or, (ii) provide proof to the School that I have been approved for economic hardship status under the Federal Stafford loan provisions.

Economic hardship deferment is renewable at intervals of up to 12 months for periods that do not exceed 3 consecutive years. INTEREST DOES NOT ACCRUE DURING PERIODS OF DEFERMENT.

11. INCOME-BASED LOAN REPAYMENT PROGRAM - I acknowledge and agree that the Loan is not eligible for any Income-Based Loan Repayment Program.

12. PREPAYMENT - I understand that I may prepay all or any part of the principal balance of the Loan secured by this Note at any time, and from time to time, without penalty.

13. WAIVER OF JURY TRIAL; GOVERNING LAW - School and I knowingly and voluntarily waive any right to a trial by jury in any dispute based upon or arising out of this Note, and neither party shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. This Note is delivered in the State of Illinois and shall be governed and construed in accordance with the laws of the State of Illinois, without regard to choice of law principals. This Note embodies the entire agreement between the School and I regarding the terms of the Loan evidenced by this Note and supersedes all oral statements and prior writings relating to the Loan.

I hereby freely execute this Note as of date noted below.

Signature: _____

Date: _____

Business Process

- Awarding
- Truth In Lending Act – Regulation Z
- Outsourcing
 - ECSI
 - Promissory Notes signed electronically by student and co-borrower
 - Authenticated online
 - Notarized signature if authentication fails

Heartland ECSI Reg Z Solution

- Heartland ECSI developed the first fully automated Reg Z solution
- Consists of 3 disclosures and a self-certification form
- Required for every private education loan a school or lender provides and must contain special HEOA requirements and content
- Includes all Institutional, Health Professions, and Nursing Loans, which fall under the Department of Education's definition of a private education loan
- Heartland ECSI creates the disclosures automatically during and after the application process
- Provides all three disclosures and the self-certification form electronically.
- Our process also automatically tracks the three-day right to cancel period required by Regulation Z for such loans

Loan Application & Solicitation Disclosure

Loan Cost Examples

The total amount you will pay for this loan will vary depending upon when you enter repayment. This example provides estimates based upon the number of repayment options available to you while enrolled in school and the total line of credit.

Repayment (while enrolled)

1. **Defer Payment**
Make no payments but interest will not accrue while in school.
2. **Defer Payment**
Accrue interest but do not make payments while in school.
3. **Pay Only the Interest**
Pay accrued interest only while in school.
4. **Make Full Payments**
Pay both the principal and interest while in school.

About this example:
The repayment example above is based on the highest starting rate currently available and associated fees.

- Application Fee
- Origination Fee
- Loan Guarantee Fee
- Repayment Fee
- Late Charge
- Returned Check Fee

Next Steps

1. Find Out about Other Loan Options
 - a. Some schools have school specific student loan benefits and terms not detailed on this form. Contact your school's financial aid office or visit the Department of Education's web site at: www.federalstudentaid.ed.gov for more information about other loans.
2. To apply for this loan, complete the application or promissory note
 - a. You may get a self-certification form from your school's financial aid office. If you are approved for this loan, the loan terms will be available for a minimum of 30 days (terms will not change during this period, except permitted by law and the variable interest rate may change based upon the market).

Reference Notes

Variable Interest Rate

Your loan may have a variable interest rate, which is based upon a publicly available index, such as the LIBOR or T-BILL. If your loan uses variable interest, your rate will be calculated each month by adding up to 25% to the index.

Eligibility Criteria

Borrower

- Must be enrolled at an eligible school at least half-time
- Must be 18 years or older at the time of application

Co-signers

- A co-signer may be required for this loan. Rates are typically higher without a co-signer.

More information about your loan eligibility is available in your loan application and promissory note.

About the Repayment Example:

The repayment example above is based on the highest starting rate currently available and associated fees. It assumes that the borrower remains in school for 4 years and has a 9 month grace period before beginning repayment. Repayment typically can last 10 years, but may last up to 20 years depending on the promissory note.

for Students

<http://www.stanfordloan.com/stanford-loan-info/interest-rates.php>

PLUS
for Parents and Graduate /
Professional Students

Please see the following website for current interest rates:
<http://www.finaid.org>

<http://www.federalstudentaid.ed.gov>

Loan Approval Disclosure

Next Steps & Terms of Acceptance

This offer is good until:
MM/DD/YYYY

- 1. Find Out About Other Loan Options.**
Contact your schools financial aid office for more information.
 - 2. You have Until MM/DD/YYYY to Accept this Offer.**
The terms of this offer will not change except as permitted by law and the variable interest rate may change based on the market.
- To Accept the Terms of this loan,**
Please check the appropriate box at the bottom of this disclosure

Reference Notes

Interest Rate:

- Your loan may have a fixed interest rate. This means the interest rate on your loan will remain fixed for the full term of the loan.
- Your loan may have a variable interest rate that is based on a publicly available index. Your rate is calculated each month, quarter or year by adding a margin to the index rate.
- The interest rate may be higher or lower than your Annual Percentage Rate (APR) because the APR considers fees you pay to obtain the loan, the interest rate, and whether you defer (postpone) payments while in school.
- If the Interest Rate is variable, there is no limit to the amount that the rate could increase at one time.
- If the Interest Rate increases, your monthly payments could be higher.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

Repayment Options

- Although you may not be required to make payments while enrolled you can still make payments to your loan servicer or directly to the school. More information about repayment deferral or forbearance options is available in your loan agreement.

Prepayments:

- If you pay the loan off early, you will not have to pay a penalty. You will not be entitled to a refund of part of the finance charge.
- See your loan agreement for any additional information about nonpayment default, any required repayment in full before the scheduled date, and prepayments refunds and penalties.

Estimate

120 MONTH

01/01/2010 to
deferment period

08/01/2010 to
Repayment Period

education

Contact your
the

[.ed.gov](#)

Final Disclosure

Next Steps & Terms of Acceptance

This offer is good until:

- 1. Find Out About Other Loan Options.**
Contact your schools financial aid office for more information.
 - 2. You have Until to Accept this Offer.**
The terms of this offer will not change except as permitted by law and the variable interest rate may change based on the market.
- To Accept the Terms of this loan,**
Please check the appropriate box at the bottom of this disclosure

Reference Notes

Interest Rate:

- Your loan may have a fixed interest rate. This means the interest rate on your loan will remain fixed for the full term of the loan.
- Your loan may have a variable interest rate that is based on a publicly available index. Your rate is calculated each month, quarter or year by adding a margin to the index rate.
- The interest rate may be higher or lower than your Annual Percentage Rate (APR) because the APR considers fees you pay to obtain the loan, the interest rate, and whether you defer (postpone) payments while in school.
- If the Interest Rate is variable, there is no limit to the amount that the rate could increase at one time.
- If the Interest Rate increases, your monthly payments could be higher.

Bankruptcy Limitations

- If you file for bankruptcy you may still be required to pay back this loan.

Repayment Options

- Although you may not be required to make payments while enrolled you can still make payments to your loan servicer or directly to the school. More information about repayment deferral or forbearance options is available in your loan agreement.

Prepayments:

- If you pay the loan off early, you will not have to pay a penalty. You will not be entitled to a refund of part of the finance charge.
- See your loan agreement for any additional information about nonpayment default, any required repayment in full before the scheduled date, and prepayments refunds and penalties.

Estimated Monthly Payment

MONTHLY LOAN

deferment period

Repayment Period

Self Certification

SECTION 5: DEFINITIONS

Cost of attendance is an estimate of tuition and fees, room and board, transportation, and other costs for the period of enrollment covered by the loan, as determined by the school. A student's cost of attendance may be obtained from the school's financial aid office.

Estimated financial assistance is all federal, state, institutional (school), private, and other sources of assistance used in determining eligibility for most Title IV student financial aid, including amounts of financial assistance used to replace the expected family contribution. The student's estimated financial assistance is determined by the school and may be obtained from the school's financial aid office.

A **lender** is a private education lender as defined in Section 140 of the Truth in Lending Act and any other person engaged in the business of securing, making, or extending private education loans on behalf of the lender.

A **private education loan** is a loan provided by a private education lender that is not a Title IV loan and that is issued expressly for postsecondary education expenses, regardless of whether the loan is provided through the school that the student attends or directly to the borrower from the private education lender. A private education loan does not include (1) An extension of credit under an open-end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling; or (2) An extension of credit in which the school is the lender if the term of the extension of credit is 90 days or less or an interest rate will not be applied to the credit balance and the term of the extension of credit is one year or less, even if the credit is payable in more than four installments.

Title IV student financial aid includes the Federal Pell Grant Program, the Academic Competitiveness Grant (ACG) Program, the Federal Supplemental Educational Opportunity Grant (FSEOG) Program, the Leveraging Educational Assistance Partnership (LEAP) Program, the Federal Family Education Loan Program (FFELP), the Federal Work-Study (FWS) Program, the William D. Ford Federal Direct Loan (Direct Loan) Program, the Federal Perkins Loan Program, the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program, and the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program. To apply for Title IV federal grants, loans, and work-study, submit a Free Application for Federal Student Aid (FAFSA), which is available at www.fafsa.gov, by calling 1-800-4-FED-AID, or from the school's financial aid office.

SECTION 6: PAPERWORK REDUCTION NOTICE

Paperwork Reduction Notice: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1845-0101. The time required to complete this information collection is estimated to average 0.25 hours (15 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed and complete and review the information collection.

If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651.

If you have any comments or concerns regarding the status of your individual submission of this form, contact your lender.

Signature of Applicant Date (mm/dd/yyyy)

Heartland ECSI Institutional Loan Configuration

- What is the name of your loan program?
- What code is used by your current servicer to identify this loan program?
- Heartland ECSI will create a three character fund code to identify this fund:
- Heartland ECSI will create a two character loan code to identify any changes to the prom note within this fund:
- Heartland ECSI's complete fund and loan code will be:
- What month and year did this loan program begin disbursement?
- What month and year did this loan program end disbursement, if applicable?
- What Heartland ECSI Program Type above best describes how your loan program works?
- What is the Interest Rate?
- What is the Minimum Payment?
- What is the Maximum Repayment Term?

Heartland ECSI Institutional Loan Configuration

- **When does interest start accruing?**
 - From the Disbursement Date
 - From the Repayment Date
- **When does repayment begin?**
 - Immediately
 - Interest only payments
 - Principal and Interest Payments
 - When the student leaves school (no grace period)
 - At the end of the Grace Period
- **How long is the Grace Period?**
- **Is the original Grace Period given in full at the end of continuous student deferment that begins before the original grace began?**
- **If Interest accrues from the Disbursement Date, but Repayment does not start until a later date, what is done with accrued but unpaid interest?**
 - Interest is capitalized
 - Interest is billed in monthly installment payments until paid, and then principal and interest payments begin

Heartland ECSI Institutional Loan Configuration

- **What is the billing frequency of this loan (monthly or quarterly)?**
- **Does this loan require an Exit Interview?**
- **If the borrower has more than one of these loans, should the repayment schedule be prorated between all of the loans?**
- **Does this loan have a co-signer?**
 - If yes, at what month past due should the cosigner be billed?
- **Is this loan reported to the credit bureaus?**
 - No
 - Yes from the disbursement date
 - Yes but only when delinquent
 - At what month delinquent?

Heartland ECSI Institutional Loan Configuration

- **Are late fees assessed?**
 - If yes, what is the late fee (flat dollar or percent of fixed payment)?
 - If a percent of the fixed payment, is there a maximum dollar amount and what is it?
- **What is the small balance automatic payoff amount?**
- **If the borrower makes a partial payment (at least 80% of what is due) under what dollar amount should be cleared? (\$10 is standard):**
- **At what month delinquent should the loan be included in your default report?**
- **Is this loan eligible for any deferments or forbearance?**
- **Do the below deferment/ cancellations receive a post deferment grace period?** (This is NOT the original grace given to student deferments if the student deferment interrupts the original grace. This is an additional post deferment grace period given if the original grace is used up)
 - **If yes, how many months?**
 - If yes, please list the kinds and any time limitations:
- **Is this loan eligible for any partial cancellations (service cancellation)?**
 - If yes, please list the kinds and any time limitations:
- **Is this loan eligible for any total cancellations (For example, death, disability or write off)?**
 - If yes, please list the kinds and any time limitations:

What Happens if Perkins Ends?

If the Perkins program ends on September 30, 2017, what opportunities will schools have to create an Institutional Loan Program to replace Perkins using their Institutional Capital Contributions from their Perkins fund?



QUESTIONS?

Contact Information

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