The Student Loan Service Center was created in 1995 by the North Dakota University System to service the student loans administered by the 11 colleges and universities of the North Dakota University System.

All of the loans the SLSC services are owned by the schools and are separate from any of your other student loans, such as your Stafford Student Loans which are issued from a bank or your Direct Loans from the U.S. Department of Education. Therefore, **UND is your lender** for your Medical, Federal Health Professions and Federal Perkins Student Loans.

You need to contact each of your lenders or their service agencies with changes to your name or address, to file forms and to make your payments.
If you have loans from UND that are to be serviced by our office, a loan information packet has been distributed to you. Your packet contains the following:

1.) A 2 page **Cover Letter** with your SLSC Account Number and **an itemized listing of the loans** that you received from UND that our office will service for you.

2.) A **Summary of all of the Student Loans** that you have received, breaking them down into 2 categories. The first category lists the loans where UND is the lender and the 2nd category lists the loans you have received from other lenders.

3.) **Repayment schedules** for each of the loans from UND. You need to sign the copies marked: PLEASE SIGN AND RETURN.
4.) **STUDENT LOAN PERSONAL DATA SHEET**. Please complete the page fully. This page asks for your personal information and references. **NOTE:** Providing names and information for your spouse, parent, next of kin, and references does not obligate them to assist with repayment of your loans. Federal Regulations require you provide this data so we can locate you, if, in the future, we have an invalid address or phone number.

5.) A **REQUEST FOR DEFERMENT** form is included. If you have a Medical loan that will be due **JULY 1\textsuperscript{st}** of this year, this form needs to be completed and signed by the director of your residency program and returned to our office **before** July 10\textsuperscript{th}.

6.) **PINK - FERPA**. If you would like another person such as your parent or spouse to be able to obtain information regarding your account with the Student Loan Service Center you must give us written authorization to release information to a specific individual by completing this form.
Next you will find your **RIGHTS AND RESPONSIBILITIES** information page which is a summary page of your basic rights and responsibilities as a student loan borrower. You will need to refer to your promissory note(s) or contact our office for more specific information if you have questions.

• The rest of the packet contains **copies of your** repayment schedules and promissory notes for each of the loans you have received directly from UND. These are marked YOUR COPY.

• SLSC contracts with Heartland Educational Computer Systems, Inc (ECSI) for our billing and they also process deferments & cancellations and set up ACH (automatic payments). Their contact information is: WEB: [www.ecsi.net](http://www.ecsi.net),
Mailing address: North Dakota University System A5, % ECSI 181 Montour Run Road, Coraopolis, PA 15108  Telephone: 888-549-3274 or 412-788-3900, Fax: 866-291-5384
BASIC RIGHTS AND RESPONSIBILITIES:

• **You MUST pay back your loan**, even if you don't finish school, get a job after leaving school, or your education didn't meet your expectations. If you pay on time, you build a **good credit history**, which makes it easier for you to borrow money in the future. If you don't pay, however, you will face serious consequences.

• **Stay in close touch** with the Student Loan Service Center. Contact our office with any changes in your name, address, phone, employment situation, etc.

• **Stay informed**. Keep your records accurate and organized, so you can resolve problems more easily. Know the amount of your student loan payments—and when they begin. Read all information carefully. Keep copies of any promissory notes you sign; they tell you the names and addresses of the institutions from which you borrowed.

• **If you have trouble** making payments contact SLSC immediately. You have several options for resolving difficulties.

• **Develop a budget** to help you manage your debt including your student loan payments, credit card debt, and other living expenses.
Remember, you must inform us about changes to your name, address and phone number. In addition, you must let us know if you:

- withdraw or drop below half-time status
- graduate, or complete your residency
- transfer to a new school or residency program
- change your employer (or your employer's address changes),
- change your Social Security Number or driver's license number,
- experience any other change that affects your loan status (for example, if you get a job and therefore lose your eligibility for an unemployment deferment).

Answer promptly any communication about your loan that you receive from the UND, the Student Loan Service Center or ECSI.

Be sure you know how much you owe! If you are unsure, contact our office. Now is the time to resolve any discrepancies and to ask questions!
Loan Types:

**FEDERAL PERKINS STUDENT LOAN:**
A Federal Perkins Loan is a low-interest (5 percent) loan for both undergraduate and graduate students with exceptional financial need. Your school is your lender. The loan comes from government funds from the U.S. Department of Education, with a share contributed by the school. Perkins loans are eligible for the federal consolidation program.

**HEALTH PROFESSIONS LOANS**
Health Professions Loans come from government funds from the U.S. Department of Health and Human Services, with a share contributed by the school. Therefore, your school is also your lender for Health Professions Loans. Some, but not all, HPL loans are eligible for the federal consolidation program.

a.) **Loans for Disadvantaged Students**
LDS loans issued by your school also have a share contributed by the US Dept of Health and Human services and are eligible for consolidation.
b.) Primary Care

PRIMARY HEALTH CARE SERVICE OBLIGATION

PCL recipients must:

- enter and complete a residency training program in primary health care not later than four years after the date on which the borrower graduates from the institution; and
- practice primary health care through the date on which the loan is repaid in full, and to certify to the school on an annual basis that he or she is practicing primary health care.

Primary health care is defined as family medicine, general internal medicine, general pediatrics, preventative medicine, or osteopathic general practice.

Even though the Primary Care loan is a Health Professions Loan, due to the service obligation it is not eligible for consolidation.
UND MEDICAL STUDENT LOANS

There are more than 25 different PRIVATE medical loans from UND. Because these are private loans they are not eligible for consolidation. The majority of the UND Medical Loans have one year grace periods prior to 1st billing, with the exceptions of the Medical Center Student Loan, the UND School of Medicine and Health Sciences Revolving Loan Fund which have the grace period at the end of residency, if the maximum residency has not been used. The Academy Family Physicians Loan has no grace period. That means your 1st payment or deferment form is due July 1st on the Medical Center, Med Health Science & AFP loans.

Repayment periods run from 25 months for the Academy Family Physicians Student Loan, 36 months for the Medical Auxiliary/Med. Alliance Student Loan to 10 years for all of the other UND Medical Loans.

Billings for the majority of your UND Medical Loans are on an annual basis. Like the un-subsidized Stafford loan, interest has been accruing since the day you received your 1st disbursement on the majority of the UND Medical loans. All of the accrued interest will be due with your first payment. The difference from the un-subsidized Stafford Loan is that there is no capitalization available on the UND Medical loans. When the time comes for your first payment, if making the large balloon payment will be a hardship, please contact our office within 10 days of your due date and we can set up an alternate payment arrangement for you.
GENERAL INFORMATION:

Grace period--a period of time when you don't have to make payments. (nine months for Perkins, 12 months for Health Professions, 12 months for MOST UND Medical Loans).

Of course, you can pre-pay your loans any time you want, without penalty. During the grace period, for the Perkins and Health Professions Loans no interest accrues on your loan. If you have a loan in grace and are ordered to active duty, you are eligible to have one or more military extensions of the grace period, for up to three years.
Repayment period – depending on your loan type repayment periods will be from 25 months (AFP) to 10 years for the Perkins, Health Professions and most of the UND Medical Loans.

When Is My First Payment Due? If your loan has a grace period, your first payment is due one month after the grace period ends. Otherwise, one month after you cease to be enrolled at least ½ time.

Billing Method:

• For loans with Monthly payments: Coupons, billing statement or ACH (Automated Clearing House)--an automatic deduction each month from your checking or savings account.
• For loans with Annual payments: Annual Billing Statement

Payment Amounts: The Federal Perkins and Health Professions Loans usually have a minimum monthly payment of $40; your payment may be higher, depending on your loan balance. For your UND Medical Loans that have a grace period, your annual payment will be one 10\textsuperscript{th} of the principal amount borrowed PLUS all of the interest that has accrued to the due date of the payment. For the UND Medical Center loan, and UND Med Health Science loans which do not have a grace period, your first payment will be all accrued interest and then each year thereafter your payment will be one 9\textsuperscript{th} of the principal amount borrowed plus all of the interest that has accrued to the due date of the payment.
Loan Consolidation

Consolidation can be beneficial to you in that it can give you longer than the standard 10 years to repay your loans and therefore, make your payments more manageable and it is also more convenient to make one payment to one lender instead of several different lenders. Most Federal Student Loans are eligible for consolidation. Therefore, Perkins and some Health Professions – ie: Loans for Disadvantaged Students can be consolidated with your Stafford loans.

Your UND Medical Student Loans are private loans and not eligible for consolidation.
Loan Cancellation and Discharge

In the event of your permanent and total disability, your loans can be discharged or forgiven. Perkins Discharge is subject to a 3 year conditional discharge period and approval by the U.S. Department of Education. Health Professions Discharge is conditional to approval by the U.S. Department of Health & Human Services.

Your loan balances will also be discharged in the event of your death.
Solutions for Repayment Problems

**Deferment**: A deferment is a period of time during which your regular payments are suspended for
- At least half-time enrollment at an eligible school
- Graduate fellowship program
- Rehabilitation training program
- Military service (for loans made on or after July 1, 2001)
- Unemployment
- There is no deferment available on Perkins loans for MEDICAL RESIDENCY therefore you may be eligible for Forbearance. When the time comes for your Perkins Loans to begin repayment next spring, please check with our office if you need to delay those payments.

Refer to your promissory note or contact our office for deferment eligibility as deferment types vary from one loan type to another.
Solutions for Repayment Problems continued……..

**Forbearance:** Like a deferment, forbearance temporarily reduces or suspends your regular payments for a period of time.

Deferment does not count towards your 10 year repayment maximum and forbearance does. ie: 2 yrs defer + 10 years repayment -vs- 2 years forbearance leaves only 8 years repayment.

On your Perkins and LDS Student Loans a deferment stops interest from accruing where forbearance does not, however interest will accrue at all times on most of the Medical Student Loans.
Delinquency and Default
Default can have serious consequences--not just extra charges for late payments, but also:
• damage to your credit rating, which will impact your ability to rent an apartment, get a cell phone and borrow money (for example, you may be denied a home or car loan)
• referral of your account to a collection agency;
• responsibility for all collection costs;
• garnishment of your wages;
• withholding of your state or federal Treasury payments (including federal tax refunds, Social Security benefits, etc.);
• civil lawsuit, including court costs and legal expenses;
• loss of deferment and forbearance entitlements and flexible repayment options;
• loss of eligibility for further financial aid; and
• suspension of your professional license.
If your loan is turned over to a collection agency, you will be responsible for collection costs assessed by the agency. These charges, in addition to late charges, will dramatically increase the amount you owe. There is NO STATUTE OF LIMITATIONS: If not paid in a timely manner your student loans will grow old with you.
REHABILITATION:

If you default, you may be eligible for the loan rehabilitation program which requires 9 on-time monthly payments. After a loan is rehabilitated, we can update your credit bureau history to remove the default and return your account to regular repayment status. You'll also regain the balance of benefits and privileges listed in the promissory note. Rehabilitation can only be granted once during the life of the loan. You can include a defaulted loan in consolidation if you've made satisfactory arrangements to pay it.

BANKRUPTCY:

Bankruptcy doesn't cancel your loan obligation, however, a loan may be eligible for discharge through bankruptcy if you can prove undue hardship in an adversary proceeding in bankruptcy court.
For Help with a Dispute or Problem: The Federal Student Aid (FSA) Ombudsman works with student loan borrowers to resolve loan disputes and problems informally. The goal is to find creative alternatives for borrowers who need help with their federal loans.

Toll Free Telephone: 1-877-557-2575
or Internet: http://sfahelp.ed.gov or http://ombudsman.ed.gov

We would like to stress to you: Please contact our office if you have ANY questions or Difficulties. We will ALWAYS work something out for you.
Contact Information:
Student Loan Service Center, NDUS
Dept 3180 PO Box 6050
Fargo, ND 58108-6050
701-231-9545 ~ or ~ 800-698-7397
FAX: 701-231-9551
WEB: www.slscndus.com
Email: ndus.slsc@ndus.edu

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