

## **Federal Perkins Loan**

The Federal Perkins loan is a low-interest loan for undergraduate, credential, and graduate students with exceptional financial need. If you qualify for the Federal Perkins Loan, the loan is listed on your Offer of Financial Assistance. Perkins Loans are campus-based aid (USD receives the funding from the Federal Government) and funds are limited.

If you are offered a Federal Perkins loan, you must submit a **loan contract** to the USD Office of Financial Aid Services and complete a **Perkins Master Promissory Note (MPN)** with USD Loan Administration. The MPN covers all the years you attend; a loan contract must be filed yearly.

**The earliest disbursement date for a Perkins Loan** each semester is 10 days prior to the first day of class.

**Entrance and Exit Loan Counseling** will be conducted by the USD Loan Administration.

**The interest rate** on a Perkins Loan is fixed at 5%. Interest does not accrue on a Perkins Loan until 9 months after you graduate or enrollment level drops below half-time status.

**Repayment** starts 9 months after you graduate or drop below half-time status. Repayment time is normally 10 years.