

NURSE FACULTY LOAN PROGRAM FACT SHEET

Summary of Nurse Faculty Loan Program

You are the recipient of a Nurse Faculty Loan. This loan fund was created by the Department of Health and Human Services, Health Resources and Services Administration to increase the number of qualified nurse faculty. As a recipient of Nurse Faculty loan funds, you may be eligible to have up to 85% of this loan forgiven while serving as a full-time nurse faculty member at a school of nursing.

Interest Rate

Interest on your Nurse Faculty Loan will accrue at the rate of 3% per annum beginning three (3) months after you cease to be a full-time student in the nurse education program at your school. Interest will be payable at the end of your nine (9) month grace period. This 3% interest rate is contingent upon your completion of the advanced nurse education program and verification of your employment as a nurse faculty member once you graduate.

You must submit a properly completed form certifying your employment to the school that granted your loan or you may submit the form to Campus Partners, your school's billing servicer. If you fail to complete the advanced nurse education program or fail to serve as a full-time nurse faculty member upon graduation, interest on this loan will accrue on the outstanding balance at the prevailing market rate. The prevailing market rate is determined by the Treasury Department and is published quarterly.

Repayment

Repayment of your Nurse Faculty loan is repayable in equal quarterly or monthly installments over a 10-year repayment period that begins 9 months after you cease full-time enrollment at your school in the advanced nurse education program. You have the right to pay more than the amount that is due on your loan. This process will shorten the time that your loan is in repayment and reduce the overall interest that you will pay over the life of the loan.

You may also prepay any amounts without any penalty all or any part of the principal and accrued interest on the loan at any time. For information on submitting payments on your loan, logon to www.mycampusloan.com.

Default

If you fail to make an installment payment when due or fail to comply with any other term of your promissory note, your loan will be considered in default. Your school has the right to report any delinquency or default to credit bureaus. The school may also accelerate the loan, which means the entire loan balance will be due and payable immediately and legal action could be taken against you. **If you have difficulty making your loan payments, contact your school or billing service immediately.**

Deferment

Deferment benefits are available to borrowers for up to three (3) years if you are ordered to active duty as a member of the uniformed service of the US (Army, Navy, Marine Corps, Air Force, Coast Guard, National Oceanic and Atmospheric Administration Corps (NOAA), or Public Health Service). Volunteer service is not eligible for this type of deferment.

You are responsible for completing and submitting a properly completed form 30 days before your activity begins. You may request a form for completion from the school which granted you this loan or you may download forms from www.mycampusloan.com.

Cancellation of your Nurse Faculty Loan

You are eligible to have up to 85% of your loan cancelled (forgiven) for employment as a full-time faculty member in a school of nursing. To receive this loan cancellation, you must be employed full time as nurse faculty at a school of nursing for a complete year, as defined by the employing school of nursing for 12 consecutive months. During a period of cancellation, principal and interest will be cancelled. If eligible, you may receive the following cancellations:

20% for the first, second, and third year of employment

25% for the fourth year of employment

These percentages are calculated on the amount of the unpaid balance on the first day of employment. To receive these cancellation benefits, your employment must also be consecutive.

You are responsible for submitting the properly completed forms to the school that granted your loan or to Campus Partners, your school's billing servicer. Two forms are required for each year of eligible employment. A postponement request should be submitted 30 days before your original nine (9) month grace period expires and annually thereafter. You must also complete and submit a request for cancellation for that same year's service upon completion of each year of employment as faculty at a school of nursing. You may obtain the appropriate forms from your school or you may download these forms at www.mycampusloan.com.

You may be ineligible for further cancellation benefits under the following circumstances:

- If your employment is not consecutive, you are ineligible for further cancellation benefits. Repayment of your loan will begin **and interest will accrue at the prevailing market rate.**
- If you discontinue employment, you are ineligible for further cancellation. Repayment of your loan will begin **and interest will accrue at the prevailing market rate.**

Paid leave such as vacation or sick leave is not considered a break in service. Once you receive the maximum portion (up to 85%) of the principal amount of the loan and interest, the remaining amount (15% or more depending upon years of employment) of the unpaid balance is repayable at a 3% interest rate over the remainder of your repayment period. The maximum repayment period is 10 years.

In the event of your permanent total disability or death, your loan obligation will be discharged. In both cases, documentation must be sent to the institution that granted your loan. Loan discharge due to disability requires certification from a physician and is subject to approval by your lending institution. The Department of Health and Human Services will make the final determination of a disability discharge.

Forbearance

Forbearance is an alternative option if you do not qualify for deferment and you are having difficulty making your loan payment. Your school or Campus Partners may grant a forbearance for a limited and specified period or an extension of the time to repay your loans. You may qualify if you request it and provide documentation to support the request. During periods of forbearance, interest continues to accrue. However, the interest is not payable until the forbearance ends. Forbearance periods may cover up to 6 months at a time.

You may download a form for forbearance at www.mycampusloan.com. Remember to make your student loan payments until you hear that your request has been granted. If you do not make payments while your request is being processed, your loan may become delinquent and late fees may possibly be assessed.