

## Terms of the LOAN REHABILITATION AGREEMENT

This Repayment Agreement is a written agreement between the borrower and Southern Utah University in an attempt to successfully complete the requirements for rehabilitation as set by federal regulations governing Federal Perkins loans. The account will be closely monitored for payments.

“...a loan is rehabilitated if the borrower makes an on-time, monthly payment, as determined by the institution, each month for nine months and the borrower requests rehabilitation...”

(34 CFR 674.39)

### Responsibilities of the borrower

- The borrower must request rehabilitation
- The borrower must sign a rehabilitation agreement
- The borrower must make 9 on-time consecutive monthly payments; payments are due by the 1st of each month.

### Benefits of Rehabilitation ( once successfully completed)

- Return to regular repayment status
- The first payment made under the 9 consecutive payments becomes the first payment under the new 10-Year repayment period
- Removes the default from the borrower's credit history
- Rehabilitation re-establishes a borrower's eligibility for Title IV student financial assistance
- Removes all registration and transcript blocks

The purpose of the agreement is to indicate your intent to rehabilitate your defaulted loan by paying the SUU Loan Office each month for 9 consecutive months. The college will determine the appropriate payment amount after reviewing the documentation you are required to provide. Your loan will NOT be considered rehabilitated until the 9 consecutive, on-time, monthly payment has been received.

If you have successfully rehabilitated a defaulted loan and then become in default again, you may not attempt to rehabilitate that loan again. Understand a defaulted loan may be rehabilitated only once. I will again be subject to terms, conditions, benefits, and privileges of the original promissory note. I will also be subject to the same responsibilities under the note.



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**Rehabilitation Repayment Agreement**

Borrower Information

Name:		SUU T# /SSN:	
Address:		Cell Phone #:	
City, State, Zip:		Phone #:	
Name of Employer:		Work Phone #:	
Sources to Pay:		E-mail:	

Account Information

Account Number: This is SUU T #	Original Due Date:	Balance: (thru _____)

Schedule of Payments for TRA

Agreed upon monthly payment amount:	
First Payment Due Date:	
Date of scheduled final (09 <sup>th</sup> ) payment:	

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Responsibilities of the Borrower

- The borrower must request rehabilitation
- The borrower must sign a rehabilitation agreement
- The borrower must make 09 on-time consecutive monthly payments, **payments are due by the 1st of each month**

Benefits of Rehabilitation (once successfully completed)

- Return to regular repayment status
- The first payment made under the 09 consecutive payments becomes the first payment under the new 10-year repayment period
- Removes the default from the borrower's credit history
- Rehabilitation re-establishes a borrower's eligibility for Title IV student financial assistance
- Removes all registration and transcript blocks

\*I understand and agree to the above Schedule of Payments

\*I understand that if a payment is not made in a timely manner, the amount I owe will become due in full immediately.

\*I understand that I will remain **blocked from registration, transcripts and other University Services** until this loan is successfully rehabilitated or paid in full.

\*I understand that to insure that I receive a monthly billing statement, I must notify the Loan Collections Office (at the address or phone listed below) of any **address changes**. Furthermore, I understand that it is my responsibility to make monthly payments whether or not I receive a billing statement.

\*I understand that this Temporary Repayment Agreement does not nullify the original terms of any promissory note (if debt is arising from a loan) I have signed. It is a renegotiated payment plan offered due to the fact that I did not honor the terms of my promissory note.

\*I understand and agree to the terms of this Rehabilitation Repayment Agreement.

*State law requires that you be informed of the following: (1) you are entitled to request to be informed about the information about yourself collected by use of this form (with a few exceptions as provided by law); (2) you are entitled to receive and review that information; and (3) you are entitled to have the information corrected at no charge to you.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by: \_\_\_\_\_

Date: \_\_\_\_\_