

ENGINEERS' CLUB OF THE VIRGINIA PENINSULA

PROCEDURE FOR STUDENT LOANS

I - PURPOSE

This fund is established to make loans to assist college students who are properly recommended, needful of assistance, and who desire to complete their formal engineering education. College students, as used here, means students who have completed satisfactorily their freshman year of engineering education. Money shall be loaned only for educational purposes.

II - INFORMATION

A. Qualifications of Applicants -

1. Applicants must be students in engineering or related fields who have completed satisfactorily their previous year(s) of study in an accredited school. Sons and daughters of active Club members will be treated as special cases so that they may apply for loans for their freshman year, and they may pursue a non-engineering curriculum.

2. Applicants must have the recommendation of the department head of the discipline of their choice. For those applicants who have been accepted as freshmen, and who are sons or daughters of active Club members, a recommendation from the high school principal will be acceptable.

3. Preference will be given to residents of the Virginia Peninsula.

B. Types of Loans -

1. Undergraduate - In addition to loans made to applicants for a regular school year, loans may also be made for summer school undergraduate training at the discretion of the committee. Loans shall not be granted for private lessons or correspondence courses

2. Graduate - Undergraduate demands shall take precedence.

C. Amount -

1. Loans shall not exceed in amount \$1,000.00 to any one applicant for a regular school year as a Freshman, and shall not exceed \$1,500.00 as a Sophomore, and shall not exceed \$2,000.00 as a Junior, and shall not exceed \$3,000.00 as a Senior or graduate student.

2. The total indebtedness to the ECVF by any one student shall not exceed the sum of \$3,000.00.

III - TERMS OF LOAN

A. One co-signer shall be required for a loan. Relatives will be accepted as co-signers at the discretion of the committee. Loans shall not be made to students under 18 years of age unless their parents or guardians are cosigners.

B. No interest is charged while the borrower is in college and pursuing the BS or MS degree. When repayment starts, interest shall be paid by the borrower at the rate of six percent (6%) per annum. Interest shall be paid quarterly and will be calculated at the rate of one point five percent (1.5%) per quarter annum on the balance outstanding prior to the quarterly payment on the principal of the loan.

C. Each amount loaned shall be considered as a separate loan. The duration of any loan shall not exceed three (3) years from the date of the required initial payment.

D. Loan students must maintain a scholastic average required for graduation in the school of their registration. In addition, they must keep the Student Loan Committee informed of their current address and telephone number.

E. Failure to complete the school year or failure to pay interest promptly shall be reason for recall of the loan on demand. The committee shall exercise due discretion, timewise, in requiring repayment in such instance.

F. Loans shall not be issued for amounts less than \$500.00.

IV - PROCEDURE

A. First Loan -

1. Student contacts Engineers' Club of the Virginia Peninsula submitting proper application.
2. The Student Loan Committee investigates scholarship record, evidence of moral responsibility, present indebtedness, background, business integrity, and such other steps as are deemed necessary to determine eligibility of applicant.
3. It shall be the responsibility of the Loan Committee to decide, on the basis of overall merit and the availability of funds, which of the applicants should be recommended for loans.

B. Additional Loans -

1. Before or after an original loan has been repaid, a student is eligible to make application for an additional loan for further or advanced study. In such case the Loan Committee will check the scholastic record and other pertinent factors to determine whether further support should be made available to the student.

C. Granting of Loan -

1. The Loan Committee shall make its recommendations to the Board of Governors. The final decision regarding the granting of the loan shall be made by the Board of Governors who will notify the Recording Secretary-Treasurer and the Student Loan Committee.

V - REPAYMENT

- ##### A. Loan repayment shall start four (4) months after the BS or MS degree is awarded. Student borrowers who choose to continue their

graduate education toward the doctorate should be aware of the time limit for repayment of loans (see III - Terms of Loan, Part C).

B. The loan is to be repaid in regular quarterly payments of as large an amount as the borrower desires, with a minimum of \$300.00 each quarter.

VI - POLICIES

A. Loans will normally be covered by a life insurance policy assigned to the Engineers' Club by the student. In case of death of the borrower, a sufficient amount will be retained to cover the loan and interest and all other charges against him. The balance of the insurance money received will be remitted to the borrower's other beneficiaries. In case of special merit where it would not be feasible for the student to obtain life insurance the Student Loan Committee may, at their discretion, waive the requirement for life insurance.

VII - STUDENT LOAN COMMITTEE RESPONSIBILITY

A. To make known the existence of the student loan fund.

B. To be most diligent in investigation of loan applicants.

C. The Student Loan Committee shall be appointed by the President and approved by the Board of Governors for a term of three years. It shall be responsible for:

1. Keeping in touch with the student until the loan is paid in full.
2. Impressing upon the student the obligation and desirability of complete repayment of the loan on time.
3. Receiving and forwarding to the Club Treasurer all payments.
4. Keeping a ledger in which is recorded for each student loan made, payments received, progress in school, and location (until loans are repaid).
5. Submitting a financial report to the Club Treasurer by June 30 of each year.