

Educational Loan Policy

(As amended upto 25-02-2013)

A. Policy:

1. *In terms of the Trust Deed of SBP Employees Welfare Trust (SBP EWT) clause 8, the Board of Trustees of the SBP Employees Welfare Trust has decided to launch an 'Educational Loan Policy', subsequently referred to as ELP to facilitate the beneficiaries of the trust in funding the educational expenses of their children for pursuing the Graduation and Post Graduation Programs.*
2. *Under the ELP, loan shall be available for a maximum of two children of beneficiaries and to the extent of maximum amount of loan as mentioned at Para 3 below.*
3. *As per ELP, each beneficiary will be entitled to avail a loan up to a maximum limit of Rs.400,000 and Rs.200,000 for the entire programs of Graduation and Post-Graduation respectively for each child for meeting expenditures relating to admission & tuition fees (excluding the boarding & lodging charges) in the following disciplines only:*

<i>1. Medicine / Physiotherapy</i>	<i>2. Engineering</i>	<i>3. Management Sciences</i>
<i>4. Commerce</i>	<i>5. Pharmacy</i>	<i>6. Computer Science / IT</i>
<i>7. Mathematics</i>	<i>8. Agriculture</i>	<i>9. Physics / Chemistry</i>
<i>10. Law / Islamic Jurisprudence</i>	<i>11. Oil, Gas, Petro Technology</i>	<i>12. Biology, Genetics</i>
<i>13. Economics</i>	<i>14. Statistics</i>	<i>15. Electronics</i>
<i>16. ACCA (Associate of Chartered Certified Accountants)</i>		

4. *Decision about specific branch of study under each discipline will be made by the Scrutinizing Committee of SBP EWT on a case to case basis, which shall be binding for all the beneficiaries.*
5. *Loan will be allowed up to the actual educational expenses or maximum limit (separately fixed for Graduation and Post Graduation program at Para 3 above), whichever is lower.*
6. *Loan will be allowed to the beneficiaries for their children till the availability of funds / utilization of approved budget for the year subject to approval of Scrutinizing Committee.*
7. *Cost of books & stationery up to a maximum of 10% of approved loan would be allowed in addition to the loan amount. The amount of loan in this regard will be disbursed in equal proportion, at the start of each semester / academic year during the entire period of study.*

8. *Applicant is required to sign declaration that he / she is unable to meet educational expenses from his / her own resources.*
9. *Amount of scholarship granted to student from any other source would be deducted from the educational loan applied. For this purpose an undertaking would be furnished by the applicant with the Application Form that no financial support by way of any scholarship / stipend is available from the college / university / other sources.*

B. Terms & Conditions:

1. SBP EWT beneficiaries will be eligible to avail loan under ELP only in case their child gets admission in any HEC accredited educational institution (to be confirmed from HEC website at the time of admission) on merit.
2. In case of subsequent delisting of institution from HEC accreditation, funding of educational expenses of student would be continued from SBP EWT till completion of the studies, if so desired by the beneficiary.
3. The loan under ELP will not be available in case the admission is availed by the child/children under self financing scheme of any educational institution.
4. Duly completed signed Application Form along with attested copies of all documents as listed at 'C' below shall be submitted to the Secretary SBP EWT. SBP EWT can seek original documents from the beneficiaries, as and when required.
5. Application form along with all requisite attachments can also be submitted via e-mail to the Secretary SBP EWT at sbp.ewt@sbp.org.pk
6. Particulars of the beneficiaries as mentioned in the application form shall be subject to verification from the concerned Office of SBP BSC.
7. Only complete applications whether received through surface mail or e-mail will be processed as per the policy. Incomplete applications will neither be entertained for processing nor intimation of its incompleteness will be sent to the beneficiaries. The beneficiaries are therefore required to ensure completeness of their application before submission to the SBP EWT.
8. All complete applications will be processed on first come first served basis to the extent of available budget subject to meeting all other requirements of ELP. The applications approved by the SBP EWT under ELP shall be uploaded on to the SBP website at the portal of SBP EWT. Moreover, intimation in case of applications are rejected on the basis of non availability of budget, will be communicated to the beneficiary concerned through

the e-mail or cell phone provided by the beneficiary at the address given in the application form.

9. Loan will be allowed to the beneficiaries:

a) On '*Reimbursement*' basis at the time of admission only, subject to submission of all the required documents within **two months** from the date of payment made to the educational institution. If beneficiary is unable to pay the admission / tuition fees on his / her own for his /her dependent, due to financial constraints, he / she shall be eligible to make request to the SBP EWT for making payment directly to the educational institution provided a written request in this regard is made to the Secretary SBP EWT 15 days prior to payment due date, but subsequent to the approval of his request under ELP. The EWT would manage issuance of the cheque in favor of the institution. Its collection from the office of the EWT or the office of the concerned Chief Manager, in case of beneficiaries residing in cities other than Karachi, and submission to the office of the educational institution shall continue to be the responsibility of the beneficiary to whom the facility has been sanctioned. In case of death of the beneficiary who is already availing the facility under ELP, the student / dependent shall manage its collection from the designated offices upon production of his/her CNIC and Student Photo identity card issued by the educational institution.

b) For all subsequent payments on account of tuition fees etc; the request for direct payment to institution should be received from beneficiary at SBP EWT Office, Karachi or focal person / CM section at concerned BSC Office 15 days prior to the due date of payment.

c) Payment of admission / tuition fees by SBP EWT will be made through crossed cheque / draft / pay order as the case may be. The collection of crossed cheque / draft / pay order shall be the responsibility of beneficiary / student as explained in Para 9(a) above.

10. Disbursement of all loan installments with regard to annual / semester fees will only be released to students **on passing the previous exams** as per criteria of educational institution. Furthermore **in case of failure**, reimbursement of educational expense for repeating the same examination of subject / semester will not be allowed.

11. The loan facility would neither be substituted nor be transferred in the name of any other child.

12. The maximum period of repayment of loan is 5 years from the date of disbursement of each installment of loan.

13. In case of death of beneficiary the outstanding amount of loan will be converted into a grant. However in order to ensure continuity of the education and its completion (within a standard minimum period) the undisbursed amount of loan under ELP will be disbursed as per procedure of the ELP as a grant. In case the dependent of the deceased is willing to return the loan amount to SBP EWT, he / she shall be allowed to do so.

14. *In case of loan for ACCA, the Trust will grant loan against the tuition fee of ACCA (paid to local institute) and registration/ examination fee (paid to foreign institute). Amount of Loan against the fees paid to foreign institute in foreign currency would be determined in the equivalent 'Pak Rupees' at the prevailing exchange rate on date of fee payment in foreign exchange. Consequently, the expenses of ACCA will be reimbursed to the dependants of the deceased employees also.*

C. Documentary Requirements:

a. For entire educational program including first installment:

Prescribed Application Form duly completed in all respects including signed undertaking / declaration of financial constraints, along with following documents shall be submitted:

- i. Original letter from Educational Institution will be required confirming:
 - a) Enrollment of student in the program.
 - b) Availability of Scholarship or other funding resources for the student (if any) as in such cases the quantum of assistance under the ELP will be reduced to the extent of the value of the scholarship/ stipends, funding so made available
- ii. Attested copy of Salary Slip / Pension Book /Bank Statement of beneficiaries along with copy of his/her CNIC.
- iii. Attested copy of CNIC of Student or Form 'B' whichever is applicable.
- iv. Proof of Admission in any HEC accredited Educational Institution along with its schedule of charges / fees.
- v. Original paid Fees Challan to be submitted with each loan application.
- vi. Surety on the prescribed format for entire amount of loan from two serving SBP / SBP BSC Employees (whose remaining service is more than the tenure of the loan / recovery period) on Stamp Paper.

b. For subsequent installments during the program:

- i. Attested copy of Marks Certificate of last examination if fees are paid in installments or wherever it is applicable.
- ii. Original paid Fees Challan.

Note:

- i) Attestation of photocopies of documents will be only made by the SBP EWT Officers or minimum of OG-2 level Officer of SBP / BSC on seeing the original.
- ii) Approval of education loan request is subject to compliance with the rules, regulations, and policy as laid down under ELP. In case of dispute, decision of the Board of Trustees, SBP EWT will be final.
- iii) In case of circumvention of any clause of ELP / concealment of information / misstatement all outstanding loans will be immediately recalled from the borrower and may result in suspension of future trust benefits.
- iv) This policy will come into effect immediately and will be subject to review by the Board of Trustees, SBP EWT as and when required.
- v) SBP EWT reserves the right to seek confirmation from educational institution and seek any other additional information from the beneficiary which is in addition to the documentary requirements as mentioned at Para C.
- vi) All applications shall be processed expeditiously to ensure timelines, however SBP EWT assumes no liability whatsoever for the denial of any admission in educational institution in case of delay in the communication of the final decision, due to any reason whatsoever.