Kubly Family Foundation
Scholarship Loan Program for Graduate and Professional School

Program Overview:
The Kubly Family Foundation makes low interest loans to qualified individuals for use in paying their graduate or professional school tuition through the Scholarship Loan Program. The Foundation will forgive these loans if the individual lives in Monroe, Wisconsin and works in the area for five years after graduation.

Why are we offering to pay for your graduate school!?
- ⇨ We are committed to making Monroe and Green County, Wisconsin a great place to live and work (Well, we think it's great already… but we want to make it even better!) We believe in the power of a few great individuals to do awesome things. Rather than exclusively fund individual projects in the county, we want to bring dynamic, energized leaders here. Finding the right people is so important that we are willing to pay for their graduate school in order to get them here!

Who are we looking for?
- ⇨ We're looking for exceptional individuals. Simply having great grades and wanting to live in Monroe isn't enough. A successful applicant needs to have outstanding leadership skills and the wherewithal to follow through on his/her plans. Once the scholarship recipient moves to Monroe, we expect him/her to become involved in the community. While we are willing to help get the recipient connected in Monroe after they move back, the recipient needs to have the motivation and energy to follow-through with getting involved.

Initial Qualifications for Awarding Loans:
1. Must demonstrate superior leadership qualities, show a commitment to move to the Monroe area, and have a desire to transform the Monroe area into a better place to live and work in the long term.
2. Must be a high school graduate or have received a GED or equivalent.
3. Contingent upon acceptance into graduate school, where graduate school means a graduate or professional degree level program at an accredited school.
4. Finish graduate school within an acceptable time frame. An acceptable time frame generally includes standard time to finish the program plus one year. Exact time frame will be agreed to in writing before loan extension.
5. Must have an undergraduate degree with an average GPA of 3.0 or greater on a 4.0 scale.

Initial Application Requirements:
- Proof of high school graduation or GED
- Verification of undergraduate degree and GPA
- Verification of graduate/professional degree program acceptance
- Copy of tuition bill for the first scholastic period (may be furnished upon receipt by the scholarship recipient)
- Completed Scholarship Loan Application
- If requested, conduct an interview with the Selection & Oversight Committee.
- Provide three references that the Committee may contact. Only one reference may be a direct relative.

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Ongoing Qualifications to Continue receiving Loan Payments:
1. Must maintain a minimum average GPA of 3.0 on a 4.0 scale.
2. Students must take a minimum number of credits each semester or quarter. This will vary depending on the type of program and be agreed to in the program terms.
3. Continue to truthfully intend on moving to Monroe after graduation.

Requirements for verification to meet the Continuing Loan Qualifications:
- Copy of tuition bill for the upcoming scholastic period (quarter or semester)
- Documentation following the most recent scholastic period showing a minimum continuing average GPA of 3.0 on a 4.0 scale.
- Documentation showing the loan recipient has taken the minimum number of credits in the most recent scholastic period (quarter or semester). This will vary depending on the type of program and be agreed to in the initial loan documentation.

Loan Forgiveness Criteria:
For each one full month in which the below following criteria are met, two loan payments will be forgiven. Loan forgiveness will be applied to the next two unpaid Loan Repayment Months.
1. The recipient lives in the Monroe area.
   a. "Lives in the Monroe area" is defined as having and occupying a primary place of residence located within the boundaries of the School District of Monroe, Wisconsin.
2. The recipient works in the Monroe area.
   a. "Works in the Monroe area" is defined as primary employment, the majority of which is conducted within, or based from, a geographic area defined by the boundaries of the School District of Monroe, Wisconsin, or
   b. Based on the discretion and approval of the board or Oversight Committee, that the recipient is working within a 100-mile radius of Monroe, Wisconsin.
3. Note that loan forgiveness includes principle and interest accrued for said principle.
4. Loan forgiveness only applies to scheduled unpaid loan repayments. E.g., the recipient meets the criteria of living and working in the Monroe area for one full month on the 26th month after graduation. Repayment is due (according to the loan agreement) starting the 13th full month after graduation. The recipient will have already made or still owe loan repayments for Loan Repayment Months 1 to 14 (out of a total 120 Loan Repayment Months). Based on one full month of meeting the criteria, the recipient will be forgiven Loan Repayment Months 15 and 16.

Loan Policy:
- Loans will be made for each scholastic period (typically a quarter or semester).
- The Initial Loan will require submittal and acceptance of a complete Initial Application.
- Continuing (subsequent) Loans will be given for contiguous scholastic periods (exemptions given for a standard yearly break, typically summer break, or other pre-agreed upon timeframe) only upon submittal and acceptance of a Continuing Loan Form (see continuing application requirements). Funds will be guaranteed for the entire degree program as long as the recipient continues to meet the continuing requirements. If a recipient fails to qualify for a continuing loan, he/she will need to re-apply using an Initial Application. In the case where

a recipient fails to qualify for a continuing loan, future funds to complete his/her degree cannot be guaranteed.

Loan Amounts:
- If accepted, the loan amount for which a recipient would be approved will vary based on the applicant's merit and other factors. Typically, the amount will be approximately 50% of total program tuition, however the Foundation may elect to fund up to 100% of the total program tuition in some cases. The program will not loan monies greater than the un-funded tuition amount (e.g., If the program has agreed to fund 50% of tuition, but the recipient later secures a scholarship covering 75% of tuition, the program will only fund the remaining 25%). Final loan amount will depend on additional factors, such as additional loans or scholarships acquired by the student. If accepted, the recipient will be notified of the exact dollar amount for which he/she is approved.

Loan Payments:
- Loan amounts will be transferred at the beginning of each quarter or semester in which tuition is due and will be made out directly to the educational institution the recipient is attending.
- The recipient will need to contact the Foundation to let it know where to send the check along with relevant information such as student account or id number to make sure the check is applied toward the correct account.

Loan Repayment:
- Loan repayments are to be made in monthly payments.
- Loan repayments are due on the first day of the month following a Loan Repayment Month (e.g., payments for the month of August are due on September 1st).
- The first Loan Repayment Month will be the thirteenth (13th) full month following the date of graduation (e.g., if the recipient graduates on May 20th, 2006, then the first Loan Repayment Month will be June 2007, and the first loan repayment will be due on July 1st, 2007).
- In the case where the recipient either fails to graduate or does not qualify or is not accepted for a Continuing Loan, the first Loan Repayment Month shall be the thirteenth (13th) full month following the date of the most recent loan to the recipient (e.g., if the last loan was made on January 15th, 2006, then the first Loan Repayment Month will be February 2007, and the first loan repayment will be due on March 1st, 2007).
- There will be 120 Loan Repayment Months, which shall commence with the first Loan Repayment Month (as defined above) and continue for an additional 119 continuous months.
- Interest for each portion of principle loaned shall be calculated based a rate per month equal to the rate published in The Wall Street Journal (Midwest Edition) as the prime rate in effect on January 1st of the year in which the loan was extended minus one percent (1%) ("Base Rate"), the entire Base Rate then being multiplied by a fraction such that the numerator is the number of days in the period (typically a month, or possibly less than a month if a loan was extended mid-month) and the denominator is the total number of days in that year. The rates for the remainder of the calendar year will be calculated using this same method. A new Base Rate will be calculated at the beginning of each calendar year and said Base Rate will then be used to determine the rate for that calendar year. In the case where January 1st falls

on a day in which <u>The Wall Street Journal</u> (Midwest Edition) is not published (typically a holiday or weekend), then the first business day before January 1st shall be used.
- Interest shall begin to accumulate immediately upon effective transfer of loan funds.
- Loan repayments will be applied first to interest, then to principle.
- Payments received more than 14 days after the due date may be accessed a late fee of $10.00.
- Interest will continue to accrue on principle that is paid more than one full month late.

<u>Loan Deferment and Cancellation:</u>
- In the case of the borrower's total and permanent disability or death the loan will be canceled, and any unpaid portion of the loan will be forgiven.
- In extreme circumstances the board may approve a loan deferral of principle and or interest. Examples of extreme circumstances may include the following: full destruction of home or place of employment due to a natural disaster, death of a spouse in a two-income dependent family, or compulsory military service causing a loss of job.

The Kubly Family Foundation does not discriminate based on race, gender, religion, national origin, physical disability, or age.