



THE LAMB FUND

LOAN APPLICATION

COVENANT THEOLOGICAL SEMINARY

THE PRESBYTERIAN CHURCH IN AMERICA SEMINARY

COVENANT THEOLOGICAL SEMINARY
LAMB FUND BYLAWS

1. The Lamb Fund loans are available to men desiring to prepare for the ordained ministry in the Presbyterian Church in America (PCA). Applicants must be members in good and regular standing of a PCA church for a period of two years or more, under care of a PCA presbytery, admitted into Covenant Theological Seminary's Master of Divinity program, and have a need for financial assistance.
2. Loans are allocated evenly to the approved applicants, at a fixed amount per school year, depending upon funds available on March 31 of each year. The Seminary's Financial Aid Committee shall determine the amounts of the loans each year. Approximate loan amounts should be in the \$400 - \$700 per year range.
3. Students must be taking at least 10 credit hours per semester to be eligible, except for their final year. The loan amounts do not vary with the academic load. All credit hours used in determining eligibility for Lamb Fund Loans must be for studies taken at Covenant Theological Seminary.
4. An application shall be made for each year the loan is desired. Forms for this purpose may be secured from the Financial Aid Office. Completed application shall be presented first to one's home church session and then to the presbytery for review and, if found to be satisfactory, presbytery shall then recommend the applicant for a loan. Completed applications must be returned to the Financial Aid Office of Covenant Theological Seminary as soon as possible after the presbytery meeting. The seminary encourages applications to be sent to Spring or Summer presbytery meetings.
5. Every recipient is required to sign the application form & a promissory note. When all requirements have been met, the Financial Aid Office will notify the Business Office to credit the student account in the amount of the loan. If for any reason a student reduces his credit hours below 10, or should he discontinue his studies, he shall so notify the Financial Aid Director in writing before the start of the next semester.
6. When a loan recipient begins to serve the denomination as a pastor, missionary, or in a denominational agency, after ordination the obligation to repay the loan shall be reduced 20% for each year of such service. Failure to continue in such a capacity with the denomination for five years shall obligate the person to repay the balance not cancelled by the above arrangement. It shall be the responsibility of the recipient of this loan to notify the Business Office annually of his status in the denomination until the terms of this application have been fully met.
7. When a recipient has completed his formal education he will have two years to pursue ordination, during which time no payments are required. After this period, if the recipient is not ordained and serving the denomination as a pastor, missionary or in a denominational agency, repayment of the loan plus interest will begin. The balance at that time will be amortized over no more than sixty (60) months. If, at any time during repayment, the recipient becomes ordained and is serving in an approved ministry, payments may stop and the seminary will forgive 20% of the initial balance per year. Any principal and interest already paid will not be refunded. There is no penalty for early payment of principal or interest. Students pursuing further, related full-time academic study will be placed in a "current" status and no interest will accrue during that time. Their repayment would resume when they cease to be a full-time student.
8. If a recipient does not complete his seminary education or is not going to be ordained, he will begin repayment of the loan after a six month grace period after he leaves school. If a recipient chooses to become ordained in another denomination, repayment also begins after a six month grace period after the student completes school.
9. **The applicant agrees, by signing this application, to pay to the order of Covenant Theological Seminary Lamb Fund at St. Louis, Missouri, the entire amount received as loan, with interest of six (6) percent per annum, which begins accruing at the recipient's activation date.** Applicant further agrees that, in the event of default and suit or legal proceeding to collect principal and interest, it is agreed that the applicant will pay all costs of suit and statutory attorneys' fees.

