

**THE ESTATES STAFFS' PROVIDENT SOCIETY**  
**GUIDELINES GOVERNING THE EDUCATIONAL LOANS SCHEME**

The following broad guidelines and principles have been adopted for strict adherence, in considering applications for Educational Loans:-

1. The purpose shall be for HIGHER education of member's children on leaving school, or for them to follow a training course overseas, or in Sri Lanka, including Local Universities coming under the purview of the University Grants Commission.
2. The student should have passed the GCE Ordinary Level Examination including compulsory subjects (as applicable at the time of the loan application) or be eligible to enter an overseas institution to pursue further studies.
3. The member will be required to submit receipts from the overseas educational institution, to establish the fact that, preliminary fees and other charges etc. have been paid if student's intention is for overseas education.
4. Documents to substantiate the selection of the student for overseas/Sri Lanka studies, must be attached to the application together with an indication of the total duration of the course, course fees and current Level of study of the student.
5. Expenses for travel, board & lodging etc, shall be met by the member and not out of the loan granted to him by the Society except for students admitted to Local Universities.
6. Should the loan be insufficient to meet the full course fees, the member must show proof of his ability to finance the balance fees, viz; Fixed Deposit certificate, bank savings account etc.
7. a) Only payments made to the relevant educational institute up to a maximum of three months prior to the date of application for an educational loan shall be re-imbursed by the Society.  
b) On approval of the loan, payment will be made to the relevant Educational Institute directly on submission of necessary payee details.  
c) In the case of students admitted to Local Universities the loan shall not exceed 40% of the balance standing to the credit of a member as at the end of the financial year preceding that in which the loan is granted, subject to a maximum of Rs.50,000/- per annum for the duration of the course. The loan will be released in equal instalments not exceeding Rs.50,000/- per annum over the period of the respective course of study upon submission of documentary evidence that his or her child is continuing education with the relevant University.
8. The loan shall not exceed 40% of the balance standing to the credit of a member as at the end of the financial year preceding that in which the loan is granted. However, if a member has already taken a Housing Loan and wishes to obtain an Educational Loan such loan may be granted within the ceiling of 40% and both Housing and Educational loan should not exceed 75% of his/her Provident Fund balance.
9. The loan is interest free in the hands of the member, but he/she will receive annual interest from the Society, only on the difference between the amount in his/her account and the amount of the loan. That is; the monthly instalment will not include any interest element, but only a minimum of 5% of the member's earnings, by way of repayment of capital, which can be increased as the member wishes, once a year.
10. All appropriate rules, inter-alla approval of loans, decisions of the Committee, deletions, transfer of funds to the EPF, cessation of membership with the Society, death of member etc, shall be in accordance with the Housing Loan Rules.
11. The decision of the Committee as to the acceptance or refusal of the loan applied for, or any part thereof, shall be final and the Committee shall not be obliged or compelled to disclose reasons for such decision.
12. The additional powers of the Committee shall be in accordance with Rule. 8.
13. The decision of the Committee shall be binding in all matters that are not dealt in the above and same shall be final and conclusive.
14. The period of study should be at least of one year duration and the certificates be issued by a University/College in Sri Lanka or overseas or a overseas institution or recognized institution, approved by the Department of Education/Committee of Management ESPS.
15. Wherever documents are required ORIGINALS or copies certified by the issuing authorities must be attached. Photocopies will not be acceptable.
16. Each child will be eligible for only one Educational loan subject to the 40% limit.