

(2) [t] To guarantee the loan of money, upon such terms and conditions as the board may prescribe, within the limitations contained in this article, to persons who are residents of this State and [who are attending or plan to attend] *who have been accepted for enrollment or who are in good standing at eligible colleges in this State or elsewhere, to assist them in meeting their expenses of higher education; providing, however, that no loan to such a person shall be guaranteed to an amount [in excess] of more than one thousand five hundred dollars for any [school] academic year and that [the total loan to such a person shall not be guaranteed in an amount of more than five thousand dollars] such loan or loans shall not be guaranteed for more than six academic years or their equivalent.*

(3) Students who [are attending or plan to attend] *have been accepted for enrollment or who are in good standing at eligible colleges on a part-time basis [may] shall be eligible for loans hereunder provided that they carry at least one-half the normal full-time academic workload as determined by the college.* The board may, by rule, establish *other* minimum qualifications for a person to be deemed a part-time student for the purposes hereof.

(4) The board shall have the power to procure a policy or policies of group life insurance to insure the repayment of loans made or guaranteed by the corporation in the event of the death of an individual to whom a loan is made or guaranteed hereunder.

(5) *No collateral security or endorsements shall be required on any loan made or guaranteed by the corporation unless by specific authority of the board.*

(c) Contracts [to facilitate loan program].—To enter into contracts *with (A) institutions of higher education upon such terms as [to the board may seem reasonable] may be agreed upon between the corporation and any such institution, to provide for the [creation or] administration by such institutions of any loan, or [the] guarantee of [any] a loan, made [or undertaken] by the corporation, including applications therefor and repayment thereof [or otherwise facilitating the loan program established under this article]; and (B) the United States government, or any department, agency or office thereof, or any private agency approved by the board, for the purpose of receiving funds or services therefrom.*

(e) Rules and regulations.—To adopt rules and regulations, not inconsistent with law, governing the application for and the granting, administration and repayment of loans, or the guarantee of loans, made by the corporation, *the eligibility of students, colleges, and lending institutions to participate in the program, and governing any other matters relating to the activities of the corporation. The board may adopt such rules and regulations as may be necessary to conform its loan and guarantee policies and requirements to the requirements of the United States Commissioner of Education.* The board shall require all persons borrowing from the corporation, or borrowing funds guaranteed by the corporation, to pay interest on the amount borrowed during the term of the loan in such amount not exceeding six per centum per annum and at such intervals as the board may fix; *provided, however, that any part of such interest which may be paid or payable by the United States government, or any department, agency, or office thereof, shall not be collected from such persons.*