

appropriations, gifts, grants, bequests, devises or loans including, but not by way of limitation, such funds as may from time to time be appropriated by the General Assembly, the same to be used, applied or invested as the General Assembly may direct in making any such appropriation, or, in absence of specific direction, as the board may determine; provided, however, that no obligation of the corporation shall be a debt of the State, and the corporation shall have no power to make its debts payable out of any moneys except those of the corporation.

(c) *Contracts.*—To enter into contracts with (A) institutions of higher education and vocational schools upon such terms as may be agreed upon between the corporation and any such institution or school, to provide for the administration by such institutions or schools of any loan, or guarantee of a loan, made by the corporation, including applications therefor and repayment thereof; 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.

(d) *Sue and be sued; service of process.*—To sue and be sued in the name of the corporation. Process in any action or proceeding may be served in the manner provided by the corporation laws.

(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, vocational schools 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.

(f) *Other acts.*—To perform such other acts as may be necessary or appropriate to carry out effectively the objects and purposes of the corporation, as specified in this article.

#### 7. Terms and conditions of repayment of college loan.

(a) The terms and conditions of any college loan made or guaranteed by the corporation shall not require the borrower thereof to commence the repayment of his loan earlier than nine months or later than one year after he ceases to pursue a full-time or part-time course of study at an eligible college; provided, however, that the board may, by rule, provide that such repayment shall not commence during any period (1) during which the borrower is pursuing a full-time course of study at an institution of higher education or at a comparable institution approved by the United States Commissioner of Education; (2) not in excess of three years during which the borrower is a member of the armed forces of the