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LEO S. ROWE PAN AMERICAN FUND / EXECUTIVE SECRETARIAT FOR INTEGRAL DEVELOPMENT www.oas.org/en/rowefund
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FREQUENTLY ASKED QUESTIONS

for Current Beneficiaries

1. What are my obligations with the Fund once I receive a loan and am in the grace period?
2. Where do I update my information?
3. What happens if I don't make the first payment on the scheduled date stipulated by the loan agreement?
4. Can I apply for an extension on the first payment date established in the loan agreement?
5. Can I start making payments prior to the beginning date indicated in the loan agreement?
6. What are my obligations once I start the repayment period stipulated in the loan agreement?
7. What payment options do I have, while in the United States and once I return to my country?
8. What happens if I fall in arrears?
9. What would happen if I overstay my time permitted in the United States?
10. In the worst case scenario, what happens if I am in arrears and overstay my time in the United States?
11. Are there other penalties I should be aware of?
12. Are there any penalties for not submitting my transcripts or not informing the Fund about my whereabouts on time?
13. When must Rowe Fund beneficiaries return to their country of origin?
14. What is meant by returning to one's country of origin?
15. What are the consequences for not returning to one's country of origin by the date stipulated in the contract?

1. What are my obligations with the Fund once I receive a loan and am in the grace period?

There are three main obligations Rowe beneficiaries need to take into account once the loan is approved:

- a) Apply the amount of the loan only to the education-related expenses stated in the loan agreement for which the loan is granted.
- b) Submit semester grades or reports on their academic progress to the Committee at the end of each academic year.
- c) Inform the Committee in a timely matter whenever there is a change in the date of graduation or completion of training, immediate work plans, new address, telephone number, facsimile number, and/or e-mail address.

For further information read the [terms and conditions](#) by which beneficiaries must abide once a loan is approved.

2. Where do I update my information?

As a beneficiary of a Rowe Fund loan, borrowers must inform the Rowe Fund Committee, in a timely matter, whenever there is change in the borrowers and/or guarantors address, telephone number, fax number (if any), and/or e-mail. The most effective way you can update your information is by filling out the [Update Information Form](#) and sending it by e-mail to the following address: rowefund@oas.org (include in the subject your complete name and loan number). You may also send the Update Information Form by fax at: 1 (202) 458-3167 or by mail to:

Organization of American States
Leo S. Rowe Pan American Fund
1889 F. St. NW
Washington, DC 20006

3. What happens if I don't make the first payment on the scheduled date stipulated by the Loan Agreement?

As specified in the loan agreement, the due date of the payment start date is three months after the expected graduation date of the studies for which the loan was granted. If you fail to pay the first installment of the loan when due, you will be subject to a one time delay fee.

4. Can I apply for an extension on the first payment date established in the Loan Agreement?

The first payment date is the date established in the loan agreement based on your estimated graduation date at the time the loan was approved. Failure to graduate by that date is not an excuse for changing the start payment date. Beneficiaries may only apply for a deferment of the first payment date if they can prove to the satisfaction of the Committee, a justifiable reason for doing so.

Beneficiaries need to apply at least three months in advance of the first payment date established in the loan agreement. They are asked to submit a letter addressed to the Leo S. Rowe Committee stating the number of payments to be deferred, reasons for requesting an extension, attaching supporting documents validating the request, and latest transcripts (and/or copy of the diploma, if available).

5. Can I start making payments prior to the beginning date indicated in the Loan Agreement?

Yes. We actually encourage our beneficiaries to make payments prior to the date indicated in the loan agreement, considering that upon returning to their country of origin, they cannot claim difficulties in obtaining the necessary US dollar currency as an excuse for delaying or suspending their payments. Some beneficiaries choose to pay off the loan prior to the date indicated in their loan agreement either through larger payments than those agreed to, or through one lump sum payment.

6. What are my obligations once I start the repayment period stipulated in the Loan Agreement?

- a. Send a copy of your diploma and final transcripts
- b. Continue updating yours and your guarantor's contact information until the loan is fully paid.
- c. Apply the amount of the loan only to the education-related expenses set forth in the loan agreement for which the loan is granted.
- d. Repay the loan within the period of time and in the amounts stipulated in the loan agreement.
- e. Plan ahead so that monthly installments are received by the first day of each month.
- f. Do not claim difficulties in obtaining the necessary US dollar currency as an excuse for delaying or suspending your payments.

- g. Commit to return to your country of origin within a year after completing your studies in the U.S. Therefore, you may use the Optional Practical Training (OPT) allowed by the U.S. immigration authorities.

For further information read the [terms and conditions](#) by which beneficiaries must abide.

7. What payment options do I have, while in the United States and once I return to my country?

You may make your Rowe Fund payments by check, wire transfer, or online credit card payments. You may choose to send a [credit card authorization form](#) for automatic monthly charges, or pay directly in the [OAS offices in member states](#).

8. What happens if I miss payments (fall in arrears)?

The Fund may not collect interest on student loans as long as the recipient fulfills his/her contractual obligations regarding the loan(s). Also, loan recipients that fail to pay the first installment of their original repayment schedule shall be subject to a one time delay fee.

In the event of any arrears of three or more monthly payments, without an appeal approved by the Fund Committee, or a violation of the terms established in clauses 7 to 9 of the loan agreement, the Fund may, at its sole discretion, take one or more of the following actions:

- i. Charge a monthly fee equal to the total amount of the loan owed, with an interest penalty of 6% until the loan is paid in full. Once this interest charge begins, it can only be suspended if the loan ceases to be in arrears and the Borrower requests to do so by writing to the Committee and demonstrating that he/she has shown good payment behavior by making six consecutive monthly payments in a timely manner;
- ii. If arrears equivalent to three monthly payments remain, re-calculate (as many times as needed while monthly arrears persist) the minimum monthly payments required to fully repay the loan by the date corresponding to the terms of Clause 3;
- iii. If arrears exceed the equivalent of six times the amount of monthly payments and/or no payments have been rendered for the past six consecutive months, the total amount owed, including cumulative interest accrued on the outstanding balance, will be due and must be paid immediately. The Fund shall notify the Borrower and the Guarantor(s) that, in order to honor their commitments, they must pay the full outstanding balance of the loan;
- iv. If after having sent the pertinent notification, the loan has neither been totally paid, nor has a good-faith payment been made, the total amount owed will increase by 10%. In addition, the account will be sent to a collection agency. The Fund reserves the right to contact both Borrower and Guarantor(s) at any time.

9. What would happen if I overstay my time permitted in the United States?

Your account will be charged with the annual interest rate established, in the loan agreement.

10. In the worst case scenario, what happens if I am in arrears and overstayed my time permitted in the United States?

A combined penalty will be charged for overstaying in the United States and for having a balance in arrears. The Fund may also take additional actions to ensure the loans are repaid within the terms agreed upon in the loan agreement which may include, but are not limited to: reporting the Borrower and the Guarantor's defaults to the OAS Department of Human Resources, the U.S State Department, the Department of U.S Citizen and Immigration Services, and credit bureau and credit rating organizations in the United States and elsewhere.

11. Are there other penalties that I should be aware of?

For any check that is returned by the bank for insufficient funds or for each pre-authorized credit card payment that is declined by the card issuer, the beneficiary's account will be assessed a penalty charge as established by the Committee.

12. Are there any penalties for not submitting my transcripts or not informing the Fund about my whereabouts on time?

In the case of any violation of the loan agreement, including, but not limited to, changing majors/university without notifying the Fund, not submitting transcripts or a copy of the diploma, not finishing the studies for which the loan was granted, or not communicating one's whereabouts on time, any of the penalties described above may apply and/or the full loan repayment may be requested.

13. When must Rowe Fund beneficiaries return to their country of origin?

The date by which loan beneficiaries must return to their country of origin is stated in the contract signed by the student and the Rowe Fund. Generally, this date is twelve months after the expected completion date of the beneficiary's studies for which the loan is granted as stated in the loan agreement. Therefore, if they choose to do so, loan beneficiaries may take advantage of their year of Optional Practical Training (OPT) in the United States as allowed by United States immigration authorities, before returning to their country of origin.

14. What is meant by returning to one's country of origin?

After completing the studies for which the loan was granted and the year of Optional Practical Training (OPT), the student must return to his/her country of origin (the one which appears in the loan agreement), unless they decide to work in another country whose [citizens are eligible for the Rowe Fund loan](#) or at an accredited international organization of which the majority of the OAS countries are members.

15. What are the consequences for not returning to one's country of origin by the date stipulated in the contract?

Unless the beneficiary has requested and received from the Committee authorization to extend the deadline to leave the United States, the entire unpaid balance shall be immediately due, and the loan balance will accrue monthly interest charges calculated at a rate established in the loan agreement as long as the obligation to return to his/her country has not been met and the loan has not been fully paid. Once interest charges begin, they will continue until the loan is fully repaid.

If you have a question that is not answered here, e-mail us
at: rowefund@oas.org. We will be glad to assist you!

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