

JEWISH FREE LOAN PROGRAM

Application Information



The Jewish Free Loan Program (JFLP) provides interest-free loans to the Jewish community of the greater Twin Cities Minnesota area. Loans will be granted based on demonstrated need and will be paid back within a specified time. Loans are made for legal purposes only. Applicants will be treated with dignity and fairness. All loans require co-signers to guarantee the loan. Information supplied by the applicants and co-signers is strictly confidential. The following situational criteria will be applied when granting a loan:

- ◆ The loan together with other resources and programs will enable the recipient to bridge or repair a situation which disrupts a person's economic self-sufficiency.
- ◆ The recipient will be able to repay the loan within the specified repayment period.
- ◆ A clear plan for regaining self-sufficiency will be in place prior to the loan approval.

General Procedures and Requirements:

- Applicants in the western Metro areas should apply with Jewish Family and Children's Service of Minneapolis.
- Applicants in the eastern Metro areas should apply with Jewish Family Service of St. Paul.
- ◆ A uniform application, co-signer application form, release of information and promissory note will be used for all loans.
- ◆ Applicants must fill out and sign the application, obtain the needed co-signer(s), sign the Promissory Note, and agree to the re-payment plan as determined.
- ◆ Co-signers understand and accept the financial and legal obligation to repay the loan in full, if the loan recipient is unable to pay for any reason.
- ◆ Co-signer forms have a standard clause authorizing credit searches and reports on the signatories. All co-signers' credit will be checked by JFLP staff as to credit worthiness, which is defined by income, assets, and liabilities. Credit checks on co-signers are required and the cost of credit checks will be added to the loan amount, which runs approximately \$25 per co-signer.
- ◆ The Promissory Note states that each co-signer is "jointly" and "severally" liable if the applicant is unable for any reason to repay the loan. Each is legally liable for the full amount of the loan.
- ◆ A complete plan of usage of the loan money, a plan to regain self-sufficiency will be determined with JFLP staff before the loan is approved.

- ◆ Applications are available by calling the agency closest to the applicant residence or by going on-line at www.ifcsmpls.org and clicking on Jewish Free Loan Program.

Applicant responsibilities and Information:

Applicants must:

- ◆ Complete and sign the application. All loan applications should be signed by the applicant and spouse/partner unless special circumstances exist.
- ◆ Obtain one or two co-signers to secure the loan, who meets all the financial requirements.
- ◆ Sign the Promissory Note.
- ◆ Be Jewish or members of the Jewish community.
- ◆ Reside in the greater Twin Cities Metropolitan area.
- ◆ Have a history of steady income exceeding his/her monthly expenses.
- ◆ Be at least 21 years old or have a co-signer who is 21 or older.
- ◆ Be citizens, refugees or immigrants.
- ◆ Attend an interview with JFLP staff. Every effort will be made to provide an interpreter if this is needed.

Co-Signer Responsibilities and Information:

Co-signers must:

- Co-signers accept financial and legal responsibilities for the loan.
- Complete and sign the Co-signer application.
- Complete and sign the Co-signer Release of information enabling JFLP to check your credit.
- Complete and sign the Promissory note, which is the legal agreement between the applicant, the guarantor of the loan, and JFLP, the lender.
- If the applicant is unable to repay the loan for any reason, it is the responsibility of the co-signer(s) to repay the loan.
- A co-signer may not be removed from the loan until it has been repaid in full.

Co-signer qualifications:

- Demonstrate financial means and capability of repaying the loan amount, demonstrated by the credit check performed.
- Sign the Co-signer application, Release of Information and Promissory note.
- Live in the Greater Twin Cities area for a minimum of 1 year.
- Be 21 years old or older.
- Be a citizen, refugee or immigrant.

You may not co-sign if you are:

- A borrower of any other current JFLP loan, until released from the financial responsibility
- A rabbi or other Jewish community professional.

- In the active military service.
- A co-signer on another current JFLP loan.
- A current recipient of FAIR grants and assistance.

Application Review and Approval Process:

- After the loan applications, all necessary forms and the credit check have been completed, the application will be submitted for approval following program guidelines
- If approved a check will be issued within 7 to 10 business days.
- The applicant and co-signers will be notified by mail.
- At any time, you may contact the JFLP staff regarding the status of your loan application, billing or any other question you may have.

Collection and Billing Procedures and Responsibility:

- It is the responsibility of the loan recipient to make timely and regular payments.
- Collection of loan payments will be processed by Jewish Family and Children's Service of Minneapolis, the Jewish Free Loan Program fiscal agent and loan processor.
- Payment can be made by personal check, debit card or cash.
- Bills will be mailed to the loan recipient on the 1st or 2nd day of the month.
- Payment is due upon receipt.
- If payment is received after the 20th of the month, a late fee of \$20 will be charged to the loan.
- If there has been no communication regarding the overdue account, the co-signer(s) will be notified that the loan is due.
- If the loan recipient is unable to make a regular payment, it is his or her responsibility to contact the JFLP staff immediately.
- If a payment is remitted and returned for insufficient funds, a \$20.00 delinquency fee will be charged.
- Accelerated payments can be arranged at any time.
- The loan recipient and co-signer(s) will be acknowledged for completing payment of his/her loan and invited to become a supporter of the JFLP.