

§ 11.88

DISPOSITION OF NOTES SECURED BY ADJUSTED CERTIFICATES REDEEMED FROM BANKS BY THE DEPARTMENT OF VETERANS AFFAIRS UNDER SECTION 502 OF THE WORLD WAR ADJUSTED COMPENSATION ACT, AS AMENDED (PUB. L. 120, 68TH CONG.)

SOURCE: 13 FR 7126, Nov. 27, 1948, unless otherwise noted.

§ 11.88 Cancellation of note.

When a veteran's note is redeemed by the Department of Veterans Affairs, the note will be canceled and both the note and certificate will be retained in the files of the Department of Veterans Affairs until such time as settlement is made.

§ 11.89 Notification of veteran.

When a note is redeemed notification will be sent to the veteran at his last known address, advising him that the Department of Veterans Affairs holds his note, and outlining the conditions governing repayment.

§ 11.91 Repayment of loans.

Should the veteran so desire, he may repay the amount due on his note in full or in installments.

§ 11.93 Failure to redeem.

(a) If the veteran fails to redeem his certificate before its maturity there will be deducted from the face value of the certificate the amount of the unpaid principal of the note of the veteran and the unpaid interest thereon through September 30, 1931.

(b) If the veteran failed to redeem his certificate and died prior to January 27, 1936, there will be deducted from the face value of the certificate the amount of the unpaid principal of the veteran's note and the unpaid interest thereon to the date of his death. If the veteran died on or after January 27, 1936, the amount to be deducted when making settlement will be the unpaid principal of the veteran's note and the unpaid interest thereon through September 30, 1931.

38 CFR Ch. I (7-1-03 Edition)

DEPARTMENT OF VETERANS AFFAIRS
LOANS ON ADJUSTED SERVICE CERTIFICATES UNDER SECTION 502 OF THE WORLD WAR ADJUSTED COMPENSATION ACT, AS AMENDED

SOURCE: 13 FR 7126, Nov. 27, 1948, unless otherwise noted.

§ 11.96 By whom loans may be made.

Loans will be made by the Department of Veterans Affairs, Washington, DC, to any veteran, upon his promissory note secured by his adjusted service certificate, in any amount in even dollars not less than \$10 and not in excess of the loan value of the certificate at the date the loan is made. Each certificate contains on its face a table for determining the loan value of the certificate but at no time is the loan value less than fifty per centum of the face value.

§ 11.99 Identification.

Before a loan is made on an adjusted service certificate, the person applying therefor will be identified as the person entitled to the certificate offered as security. Such identification will be made in accordance with § 11.114.

[19 FR 5086, Aug. 12, 1954]

§ 11.100 Form of note.

The form of note used in making loans secured by adjusted service certificates shall follow Form 1185.

§ 11.102 Term of note.

All loans will be for a period of one year and if not paid will be automatically extended from year to year for periods of one year in the amount of the principal plus interest accrued to the end of the immediately preceding expired loan year, which total amount shall automatically become a new principal each year provided a loan may be paid off at any time by the payment of principal and accrued interest, but in no event will interest accruing after September 30, 1931, be deducted in final settlement of a certificate except as provided in § 11.93(b).

Department of Veterans Affairs

§ 11.114

§ 11.104 Disposition of notes and certificates.

All notes and certificates shall be held in the custody of the Department of Veterans Affairs, Washington, DC 20420.

[13 FR 7126, Nov. 27, 1948, as amended at 54 FR 34982, Aug. 23, 1989]

APPLICATION FOR PAYMENT OF ADJUSTED SERVICE CERTIFICATE UNDER THE ADJUSTED COMPENSATION PAYMENT ACT, 1936 (PUB. L. 425, 74TH CONG.)

§ 11.109 Settlement of unmaturred adjusted service certificates.

Where an application for final settlement of an adjusted service certificate is received in the Department of Veterans Affairs prior to the maturity date of the certificate, payment will be made under the terms of the Adjusted Compensation Payment Act, 1936. This act provides for payment of the amount due on the certificate, after deducting any unpaid loans with interest through September 30, 1931, in adjusted service bonds. These bonds will be issued by the Treasury Department in denominations of \$50, in the name of the veteran only, and will bear interest at the rate of 3 percent per annum from June 15, 1936, to June 15, 1945. Any excess amount not sufficient to purchase a \$50 bond will be paid by check.

[19 FR 5087, Aug. 12, 1954]

§ 11.110 Who may make application for final settlement.

A mentally competent veteran to whom an adjusted service certificate has been issued.

(a) A legally appointed guardian of an incompetent veteran. An application submitted by a legally appointed guardian must be accompanied by letters of guardianship showing the fiduciary relationship, provided such papers are not already on file in the Department of Veterans Affairs.

(b) A representative of a physically incapacitated veteran. Where application is made by a representative of a physically incapacitated veteran, the representative must attach a statement describing the veteran's incapacity. The correctness of such state-

ment must be certified by an officer as designated in § 11.114.

(c) A superintendent or other bonded officer designated by the Secretary of the Interior to receive funds under the provision of Pub. L. No. 373, 72d Congress, may make application for an incompetent adult or minor Indian who is a recognized ward of the Government. The application must be accompanied by a certification from the superintendent or other bonded officer showing: (1) That the said beneficiary is a ward of the Government; (2) that no guardian or other fiduciary has been appointed; (3) that the officer making application has been designated by the Secretary of the Interior in accordance with Pub. L. No. 373, 72d Congress; (4) that he is properly bonded; and (5) that he will receive, handle, and account for such benefits in accordance with existing law and regulations of the Department of Interior.

(d) A manager of a Department of Veterans Affairs hospital, or a manager or superintendent of a contract hospital or State institution where the veteran is a patient may make application as custodian for the veteran. Such application must be made with the approval of the regional chief attorney.

[19 FR 5087, Aug. 12, 1954]

§ 11.111 Form of application.

Application must be made on Department of Veterans Affairs Adjusted Compensation Form 1701.

[13 FR 7127, Nov. 27, 1948]

§ 11.114 Identification.

Before settlement is made on an adjusted service certificate, the person applying therefor will be identified as the person entitled to the settlement for which an application is made. If made in the United States or possessions, certification will be accepted if made by a United States postmaster or assistant postmaster over an impression of the post office cancellation stamp; a commissioned officer of the regular establishment of the Army, Navy, or Marine Corps; a member of the United States Senate or the House of Representatives; an officer, over his official title, of a post, chapter, or