

§ 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 (7-1-14 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).