

Under the plan advanced above, there are two alternatives suggested: (1) to require only the borrowers to contribute to the guarantee fund; (2) to require all the members of the class to contribute to it. If the first plan is followed, then the money should be refunded. If the second plan is followed, then the sum left over after losses are paid could be turned over to the alumni fund to be disposed of by an alumni committee composed of members who have borrowed in the past. Or it could be left as a surplus guarantee fund. In any case, after experience in administering funds in this manner, the surcharge for this purpose should be such that few refunds would have to be made.