

**THE
W. S. AND MARY E. BENBROOK
SCHOLARSHIP TRUST
BOOKLET**

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Overview

This booklet is provided by First National Bank & Trust Co., the Trustee of the W. S. and Mary E. Benbrook Scholarship Trust (“the Trust”). The Trust was created under a Trust Agreement dated September 27, 2007. The Trust will be administered by the Trustee in accordance with the terms of the Trust Agreement and the information set out in this booklet.

ONLY STUDENTS WHO HAVE GRADUATED OR WILL GRADUATE FROM NORFORK HIGH SCHOOL, NORFORK, ARKANSAS, OR STUDENTS WHO LIVE IN THE GEOGRAPHICAL AREA OF THE NORFORK SCHOOL DISTRICT AS DEFINED ON APRIL 18, 2003.

The Trustee has included a copy of the Trust guidelines and copies of all the forms that will need to be completed before and during the Recipient’s receipt of a scholarship from the Trust. Please read the guidelines carefully.

Applications are available in January of each year.

The deadline for the application and other required information to be received is April 5th.

The Trustee must receive the required information by the close of their business day at the main bank location (502 S. Hickory, Mountain Home, AR). If the deadline falls on a weekend or bank holiday, then the deadline will be on the next business day.

Notification to Recipients of scholarship awards will be mailed by the end of May.

Scholarships are awarded for one year (school term) at a time.

If you have any questions, please call Laura C. Huett, Trust Administrative Assistant, at 870-425-1837 or write to the Trust at:

Benbrook Scholarship - Laura C. Huett
First National Bank & Trust Company
P.O. Box 1928
Mountain Home, AR 72654-1928

The above address is the main bank’s mailing address.

The Trustee of The W. S. and Mary E. Benbrook Scholarship Trust has established the guidelines set forth below in determining eligibility of scholarship recipients, making awards of scholarships and administering the scholarships awarded. The scholarships shall be known as the “Benbrook Scholarship”.

ELIGIBILITY

To be eligible for the award of a scholarship, a student must meet the following criteria:

The student must have graduated or will graduate from Norfolk High School, Norfolk, Arkansas, or live in the geographical area of the Norfolk School District as defined on April 18, 2003.

And

The student must be admitted to a vocational-technical school, college, university, or other Qualifying Educational Institution described in section 170(b)(1)(A)(ii) of the Internal Revenue Code as a candidate for a certificate or an undergraduate or graduate degree, on a full-time basis. The vocational-technical school, college, university or other Qualifying Educational Institution must be an institution located within the United States.

APPLICATION FOR SCHOLARSHIP

Each student desiring to apply for a scholarship for a particular school year (“an Applicant”) shall submit to the Trustee an application on a form to be provided by the Trustee and be received no later than **April 5th**.

The scholarship recipients shall be selected by a Scholarship Committee, with the Trustee having ultimate discretion as to the recipients of scholarships based on the student’s financial need, academic achievement and character. Also, in selecting students to receive scholarships, the Scholarship Committee and Trustee shall not discriminate on the basis of race, gender, religion or national origin.

The application shall contain sufficient information to enable the Trustee to make a determination of the student’s financial need, academic achievement and character.

Required information will include an official high school transcript or other evidence of attendance of high school at Norfolk, Arkansas, or who live in the geographical area of the Norfolk School District as defined on April 18, 2003.

Upon the student’s admission to the selected educational institution, the Applicant shall submit the following to the Trustee, or the Trustee’s designated representative:

- Proof of admission to the vocational-technical school, college or university which the student plans to attend (e.g.; class schedule);

- Documentation of educational costs at that school;

Persons selected to receive scholarships (Recipients”) will be notified with an official award letter. The scholarship must be used for the school term it was awarded. By acceptance of this scholarship, Recipients agree to utilize the funds for educational purposes and to comply with the terms and conditions of the programs as set out in this booklet.

SELECTION CRITERIA

Applicants shall be ranked on:

- Financial need;
- Academic achievement;
- Character.

Financial need is evaluated by submitting to the Trustee the Applicant’s and, if the Applicant is claimed as a dependent by another person or persons, such person’s or persons’ most recent Federal Individual Income Tax Return (Form 1040) and a certified financial statement.

Academic achievement will be measured by performance on standardized college entrance examinations (ACT & SAT), high school grade point average in pre-collegiate core curriculum and/or by official transcript from the college, university or vocational-technical school, if currently attending. The Trustee will determine the minimum requirements or scores required to receive a scholarship.

At the present time, minimum standards for consideration are: 1.) College-level Applicants are an ACT composite score of 20, SAT combined score of 780 or a high school grade point average of 2.5 based on grades 9, 10, 11 and 12 in the pre-collegiate core curriculum. 2.) Vocational-Technical School Applicants are an ACT composite score of 15, SAT combined score of 780 or a high school grade point average of 2.0 based on grades 9, 10, 11 and 12. If currently attending college or vocational-technical school, an overall grade point of 2.00 (on a 4.0 scale).

An Applicant’s character will be judged by reference letters (2 Minimum) submitted from persons such as school counselor, employer, minister and other non-family character reference, along with information provided on the application.

The Trustee will evaluate each Applicant based primarily upon the criteria set forth above. In addition to the information requested from the Applicant, the Applicant’s family or other financial supporter and the Applicant’s references, the Trustee will maintain liaison with the Principal of Norfolk High School in determining and selecting recipients. However, the selection of Recipients will be made by the Trustee in its absolute discretion.

SCHOLARSHIP AMOUNTS

Payments will be made for up to the amount of the scholarship awarded to a student for a particular school term. Scholarships may pay for tuition, room and board, required books and special fees for courses. No portion of an award may be used to pay any fee for dropped classes, parking permits and any other penalty fee of the Recipient. The amount of each scholarship awarded for these permitted educational expenses normally shall be limited to the amounts for such expenses charged by the educational institution attended by the Recipient. Room and board charges will be based on the rates charged by the school the Recipient is attending. For Recipients who live off campus or in fraternity or sorority housing, funding will be based on the minimum dormitory fee charged by the university. Please note all expenses will be paid within the limits of their individual scholarship amounts.

PAYMENT PROCEDURES

Whenever possible, the Trustee will make scholarship payments directly to the Recipient's school. The annual scholarship will be divided equally according to the number of terms at the institution (trimester schools – 3 payments, semester schools – 2 payments). A quarter system institution will be paid the same amount as any semester institution (until cap amount is reached). If the Recipients are living off campus, they may be reimbursed for living expenses. (Subject to Trustee approval).

Along with each check, the Trustee will send to the school a letter explaining that any refunds due to dropped classes or terminated enrollment will be paid to the Trust and not to the Recipient. Scholarships or grants (and aid that does not have to be repaid to the person or institution that gave it to the student) are deducted from the Recipient's bill first and then the Trust will pay the amount owed by the Recipient.

The Trustee will need the following information:

- The address of the school where scholarship payments should be sent; and
- The name and telephone number of the appropriate contact person at the school.

A Recipient that is taking a class at another institution besides his or her primary institution must submit proof to the Trustee that academic credit for the class will transfer to the Recipient's primary institution.

The Recipient shall submit to the Trustee before each semester the following items for the scholarship award to be paid: (This is not the school's responsibility.)

1. The previous semester's transcript;
2. Upcoming semester's class schedule;
3. An invoice from the school, showing prices for tuition, room and board, special fees, etc.;

4. A receipt for required text books and study material, if applicable (see book reimbursement below);
5. If living off campus, a fee schedule of the dormitory rates, if applicable; and
6. In the case of any class taken at another institution, proof that the class will transfer to the primary institution.

Scholarship checks will be issued only after receipt of the above items. All information must contain the school name and the student's name printed on the documentation.

BOOK REIMBURSEMENT

The Trust will reimburse each Recipient for books, as long as the full amount of their scholarship has not been used on tuition or other expenses. The items listed below must be submitted to the Trustee to receive reimbursement.

1. Schedule of classes;
2. List of books for each class. Any of the following will be sufficient:
 - a. Copy of syllabus;
 - b. Computer list provided by the school or bookstore; or
 - c. A hand written or typed form signed by the class instructor;
3. Itemized receipt from the bookstore.

RE-APPLICATIONS FOR CONTINUING SCHOLARSHIPS

Scholarships are awarded for one year (school term) at a time. Recipients who wish to reapply at the end of the year may do so by using a re-application form.

In order to be considered for continuing Scholarship awards, a "full-time" Recipient must be pursuing the minimum hours per semester or the quarter hour equivalent to be classified as a "full-time" student. Exceptions to this rule will be reviewed on a case-by-case basis.

Also, the Recipient must maintain at least a 2.0 grade point average (on a 4.0 scale) each semester or the minimum academic standards of the school the Recipient is attending.

EXPENDITURE RESPONSIBILITY

As stated previously, scholarship payments shall be made directly to the educational institution, whenever possible. If a class is dropped during the refund period, the money that is refunded or received by the Trust would be satisfactory repayment. But, if a class is dropped after the refund period, the class must be made up and paid for by the Recipient. Also, if dropping a class causes the Recipient to fall below full-time status and an exemption is not granted, future payments will not be made to that Recipient until the Trust receives a repayment or the Recipient agrees to prorate the next semester tuition and room and board.

Recipients who fail to complete any semester for which scholarship payments are made will be required to reimburse the Trust for all monies paid by the Trust with respect to the incomplete semester. Any recipient who fails to make repayment to the Trust will be denied future assistance in the form of a scholarship. With respect to any funds not paid directly to the educational institution, if the Trustee has reason to suspect that the scholarship payments have not been expended for the intended purpose, the Trustee shall take all reasonable measures to investigate the expenditures and to recover from the Recipient any funds not spent for the restricted purposes for which they were awarded. Legal action may be initiated when appropriate and in the Trustee's exercise of its discretion, for failure by the Recipient to make required repayments. Acceptance of a scholarship shall constitute authority for the Trustee to examine and secure copies of any and all records of a Recipient, which relate to rights, obligations and qualifications under the Trust.

OTHER RULES

Each Recipient must notify the Trustee if there is a change of status in any information that is required to make a decision about the Recipient. Failure to comply with any requirement for continuing eligibility or any rule stated above will result in the termination of the scholarship. Notification of withdrawal from school will be permitted if written notification is given to the Trustee prior to the withdrawal period. If a Recipient does not re-enroll by the designated deadline dates or reapply to the Trustee, the scholarship will be revoked.

It is impossible to cover every circumstance that arises and the Trustee will be glad to discuss any unusual circumstances or requests.
