

To: FFEL Program Community

From: Larry Warder, Acting Chief Operating Officer
Federal Student Aid

Subject: Revised "Notice of Intent to Participate" and
Submission Dates

As part of the *Federal Register* Notice we published on July 1, 2008 [73 FR, No. 127, page 37422], publishing the terms and conditions of purchase of loans under the Ensuring Continued Access to Student Loans Act of 2008, we included, as Appendix D, the format for the Notice of Intent to Participate. Based upon comments and suggestions received from the community we have modified that format to account for the various entities that can participate in the Loan Purchase Programs. We also have changed the Department's contact and the submission instructions. Note that we will continue to accept submissions that use the original format. And, entities that have already submitted Notices of Intent to Participate using the original version need not re-submit using the revised form.

As noted in the July 1, 2008 *Federal Register* Notice, a lender may not sell Eligible Loans or Participation Interests to the Department on which the first disbursement was made prior to the date on which the Department receives the Notice of Intent. However, the *Federal Register* Notice provided an exception, if the Department receives the Notice of Intent on or before a date fifteen calendar days after the terms of the programs are published in the *Federal Register* (July 16, 2008), loans may be included that were first disbursed on or after May 1, 2008. Because of the changes we are making to the Notice of Intent, as described above, we are providing additional time for the submission of the Notice of Intent. Specifically, Notices of Intent that are received no later than July 31, 2008, will qualify eligible loans where the first disbursement was made on or after May 1, 2008. Notices of Intent received after July 31, 2008 limits eligible loans to only those where the first disbursement was made on or after the date the Department receives the Notice of Intent.

The revised Notice of Intent will be officially published in the *Federal Register* as a correction to the July 1 original *Federal Register*. That correction will also make official the revised July 31, 2008, submission date. In anticipation of the *Federal Register* publication we have attached to this memorandum a draft of the *Federal Register* Correction and the revised Notice of Intent to Participate. Entities do not need to wait for the *Federal Register* publication and may use the revised form immediately. Likewise the extended submission date is effective with this posting.

Thank you for your continued cooperation.

4000-01-U

DEPARTMENT OF EDUCATION, DEPARTMENT OF THE TREASURY, OFFICE
OF MANAGEMENT AND BUDGET

Federal Family Education Loan Program (FFELP)

AGENCY: Department of Education, Department of the
Treasury, Office of Management and Budget.

ACTION: Notice of terms and conditions of purchase of
loans under the Ensuring Continued Access to Student Loans
Act of 2008; correction; extension of deadline.

SUMMARY: On July 1, 2008, the Department of
Education, the Department of the Treasury, and the Office
of Management and Budget published a notice of terms and
conditions of purchase of loans under the Ensuring
Continued Access to Student Loans Act of 2008 in the
Federal Register (Notice of Terms and Conditions).
Appendix D to the Notice of Terms and Conditions contained
several minor errors. This document corrects Appendix D.
This document also extends the deadline, specified in
Appendix B and Appendix C of the Notice of Terms and
Conditions, for submission of a Notice of Intent to
Participate under the Loan Purchase Commitment and Loan
Participation Purchase programs.

FOR FURTHER INFORMATION CONTACT: Kristie Hansen, U.S.
Department of Education, Office of Federal Student Aid,
Union Center Plaza, 830 First Street, NE, room 113F1,

Washington, DC 20202. Telephone: (202) 377-3309 or by e-mail: Kristie.Hansen@ed.gov

If you use a telecommunications device for the deaf (TDD), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

Individuals with disabilities can obtain this document in an alternative format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in this section.

SUPPLEMENTARY INFORMATION:

Correction:

In the notice of terms and conditions of purchase of loans under the Ensuring Continued Access to Student Loans Act of 2008, published July 1, 2008 (73 FR 37422), make the following correction:

On pages 37449 and 37450, Appendix D is removed and replaced with Appendix D, attached.

Extension of Deadline: The Notice of Terms and Conditions announced the terms and conditions that govern the Loan Purchase Commitment Program (Loan Purchase Program Terms and Conditions) and the Loan Participation Purchase Program (Loan Participation Purchase Program Terms and Conditions) (collectively, the "Terms and Conditions") established by the Department of Education, the Department of the Treasury and the Office of Management and Budget pursuant to the

Ensuring Continued Access to Student Loans Act of 2008.

The Loan Purchase Program Terms and Conditions provided in Appendix B (73 FR 37432) that a "Lender may not sell Eligible Loans to the Department on which the first disbursement was made prior to the date on which the Department receives the Notice of Intent, unless the Department receives the Notice of Intent on or before a date fifteen calendar days after the terms of the Program are published in the Federal Register." Similarly, the Loan Participation Purchase Program Terms and Conditions provided in Appendix C (73 FR 37447) that the "Eligible Lender may not sell Participation Interests to the Department relating to loans for which the first disbursement was made prior to the date on which the Department receives the Notice of Intent, unless the Department receives the Notice of Intent on or before a date fifteen calendar days after the terms of the program are published in the Federal Register."

Under these provisions, the Notice of Intent for both programs would have to be received by the Department on or before July 16, 2008 to ensure loans for which the first disbursement was made on or after May 1, 2008 were eligible for the programs. To provide lenders with additional time to submit the Notice of Intent for both programs, the

Department, the Department of the Treasury, and the Office of Management and Budget are extending that deadline until July 31, 2008.

Electronic Access to This Document

You may view this document, as well as all other Department of Education documents published in the Federal Register, in text or Adobe Portable Document Format (PDF) on the Internet at the following site:

www.ed.gov/news/fedregister

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, DC, area at (202) 512-1530.

Note: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available on GPO Access at:

<http://www.gopaccess.gov/nara/index.html>

Dated:

Sara Martinez Tucker,
Under Secretary for
Education.

Dated:

Taiya Smith,
Executive Secretary and
Deputy Chief of Staff of the
Department of the Treasury.

Dated:

Steve McMillin,
Deputy Director, Office of
Management and Budget.

APPENDIX D
NOTICE OF INTENT TO PARTICIPATE

[_____, 200_]

U.S. Department of Education
Washington, D.C.
By: E-mail: ffel.agreementprocess@ed.gov

Re: Loan Purchase Commitment Program and/or Loan Participation Purchase Program for Eligible FFELP Loans

Ladies and Gentlemen:

The undersigned, an eligible Federal Family Education Loan Program (FFELP) lender under Section 435(d)(1) of the Higher Education Act of 1965, as amended (HEA), eligible lender trustee, or holder of beneficial interests in FFELP Loans (“Undersigned”), hereby notifies the United States Department of Education that it intends to participate in one or both of the following FFEL Loan Purchase programs for the 2008-2009 academic year. The Loan Purchase programs are authorized under Section 459A of the HEA, as amended by the Ensuring Continued Access to Student Loans Act of 2008 (Pub. L. No. 110-227), and described in the Notice of Terms and Conditions of Purchase of Loans under the Ensuring Continued Access to Student Loans Act of 2008 (Register Notice) published in the Federal Register, Vol. 73, No. 127, July 1, 2008. Signifying intent to participate in one or both of the programs offered does not require actual participation in such programs.

CHECK THE APPLICABLE BOX(ES): Loan Purchase Commitment Program
 Loan Participation Purchase Program and the Loan Purchase Commitment Program

By signifying its intent to participate in such program(s), the Undersigned hereby certifies and agrees that:

1. If the Undersigned participates in either of the programs, it will continue to originate or acquire FFELP loans made to students and parents.
2. If the Undersigned participates in the Loan Participation Purchase Program, it will sell, from time to time, participation interests in FFELP loans to the Department of Education with an aggregate unpaid principal balance of not less than \$50,000,000 in loans either held by such eligible lender or aggregated with other FFELP loans held by one or more eligible lenders. Note that there is no minimum for the Loan Purchase Commitment Program.
3. The Undersigned acknowledges that it shall not be permitted to sell FFELP loans or participation interests therein to the Department of Education with respect to which the first disbursement was made prior to the date on which the Department of Education receives this Notice of Intent to Participate, except that, if the Department of Education receives this Notice of Intent to Participate by July 31, 2008 the Undersigned shall be permitted to sell to the Department of Education FFELP loans or participation interests

therein, as applicable, where the first disbursement of the loan(s) was made on or after May 1, 2008.

For the purpose of item 3 above, the Department of Education will return to the Undersigned, via electronic mail (e-mail), information indicating the date the Notice of Intent to Participate was received by the Department of Education.

The Department of Education has provided that it will accept signed copies of this Notice of Intent sent as a PDF attachment via e-mail at the address below.

The Undersigned is aware that it must refer to the Federal Register Notice and to the agreements referred to therein for a complete description of the terms and conditions under which the Department of Education will administer the Loan Purchase Programs. The Undersigned also is aware that in order to participate in the Loan Purchase programs it must execute a Master Agreement for the respective program. If the Undersigned is a beneficial holder of FFELP loans, include on this form the LID(s) under which it operates. If the Undersigned, as an eligible lender trustee, files this Notice on behalf of its beneficial holders of FFELP loans, include the name and LID of each of those beneficial holders.

This Notice of Intent to Participate is hereby executed and dated as of the date first listed above.

By executing this Notice of Intent, the Undersigned now possesses an option to participate in the Loan Purchase Program or Programs indicated by the Undersigned above.

The Undersigned asks that the Department of Education please direct all inquiries and correspondence relating to these programs to:

[UNDERSIGNED NAME AND LENDER ID NUMBER (LID)]
[ELIGIBLE LENDER TRUSTEE NAME OR BENEFICIAL
HOLDER NAME, IF ANY AND LIDS]
[STREET ADDRESS]
[CITY], [STATE] [ZIP]
Attention of: [NAME], [TITLE]
By Phone - [XXX-XXX-XXXX]
By Fax - [XXX-XXX-XXXX]
By E-mail - [email address]

[NAME OF ENTITY]

By: _____
Name:
Title:

The completed, signed, and dated Notice of Intent to Participate should be sent as a PDF attachment to an e-mail message addressed to ffel.agreementprocess@ed.gov. The e-mail message subject line should read "Submission of Notice of Intent to Participate."

For questions concerning the submission and receipt of the email please call (202) 377-4401.