

GUARANTY AGENCY PARTICIPATION AGREEMENT FOR NATIONAL STUDENT CLEARINGHOUSE

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, National Student Clearinghouse (the "Clearinghouse"), a not-for-profit corporation organized under the laws of the Commonwealth of Virginia, and the undersigned guaranty agency (the "Guaranty Agency"), a guaranty agency participating in the Federal Family Education Loan Program or any other education loan program for which the Clearinghouse elects to provide enrollment information (a "Qualifying Program"), hereby agree as follows:

1. The Clearinghouse provides a central repository for information on the enrollment of Qualifying Program borrowers attending educational institutions. The Guaranty Agency contracts with the Clearinghouse for the purpose of collecting information on the enrollment of Qualifying Program borrowers (including students on whose behalf PLUS loans were made), and to satisfy the Guaranty Agency's federal obligation to report enrollment information to lenders, holders and servicers.
2. So long as the Clearinghouse performs its duties as provided in this agreement, the Guaranty Agency shall use its best efforts to direct to the Clearinghouse all enrollment information that it receives. The Guaranty Agency will notify educational institutions and the US Department of Education that the Clearinghouse has contracted with the Guaranty Agency to provide their enrollment data processing and that future enrollment updates should be sent directly to the Clearinghouse. The Guaranty Agency will immediately forward to the Clearinghouse any enrollment information that it receives from educational institutions and the US Department of Education.
3. The Clearinghouse shall collect enrollment information that it receives from educational institutions and the US Department of Education and shall provide the Guaranty Agency with updated enrollment information on each borrower of a Qualifying Program loan guaranteed by the Guaranty Agency.
4. The Clearinghouse shall also provide updated enrollment information on each borrower of a Qualifying Program loan directly to authorized parties which have entered into contracts with the Clearinghouse to obtain such information. The Guaranty Agency warrants that lenders and holders may rely upon this information as if it came directly from the Guaranty Agency. The Guaranty Agency agrees not to require that any party (including specifically lenders and holders) obtain enrollment information available from the Clearinghouse directly from the Guaranty Agency.
5. The Guaranty Agency agrees to the terms set forth in the Certificate of Reliance attached as Attachment I and authorizes the Clearinghouse to provide such certificate to lenders, holders, servicers and other participants in the Federal Family Education Loan Program.

6. The Clearinghouse shall maintain a historical record of all data exchanges with the Guaranty Agency, educational institutions, the US Department of Education, lenders and holders for the period of time required by the Higher Education Act of 1965, as amended.
7. In consideration of the enrollment information provided to the Guaranty Agency by the Clearinghouse, the Guaranty Agency shall pay to the Clearinghouse a monthly fee in accordance with the Clearinghouse's published fee schedule. The Guaranty Agency shall receive ninety (90) days prior written notice of any increase in the fee charged to the Guaranty Agency by the Clearinghouse. Payment of fees shall be made by the Guaranty Agency within 30 days of receipt of a bill from the Clearinghouse.
8. Qualifying Program borrower information submitted to the Clearinghouse by the Guaranty Agency is proprietary data and shall be used only for the purposes stated herein. The Clearinghouse shall institute reasonable controls to ensure that information it receives from the Guaranty Agency shall be shared only with parties entitled to such information. To the extent that a Guaranty Agency shares any nonpublic personal information as defined by 15 U.S.C. § 6801, et.seq. and its accompanying regulations, of a borrower in a Qualifying Program with the Clearinghouse, the Clearinghouse recognizes that it is subject to the reuse and redisclosure limitations as stated in 16 C.F.R. § 313.11.

Furthermore, Clearinghouse agrees that it will at all times have in place a written information security program for protecting the nonpublic personal information of a borrower in a Qualifying Program as set forth in 16 C.F.R. § 314. The Clearinghouse's security program, in accordance with the aforementioned regulation, is designed to (i) ensure the security and confidentiality of any nonpublic personal information of a borrower in a Qualifying Program provided to the Clearinghouse, (ii) protect against any anticipated threats or hazards to the security or integrity of such information, and (iii) prevent unauthorized access to or use of such information. The Guaranty Agency shall institute reasonable controls to ensure that information it receives from the Clearinghouse shall only be used in connection with its obligations under Qualifying Programs and shall be shared only with persons entitled to such information under Qualifying Programs or by the Higher Education Act of 1965, as amended.

9. During the term of this agreement, the Clearinghouse agrees to maintain insurance covering errors and omissions in its data processing operations in the amount of at least two million dollars (\$2,000,000). The Clearinghouse shall provide the Guaranty Agency a certificate of insurance evidencing such coverage upon request.
10. The Clearinghouse shall maintain reasonable disaster recovery and backup procedures for its data processing operations.
11. The Clearinghouse shall provide the Guaranty Agency with audited financial statements of the Clearinghouse upon request. Upon ten days notice, the Clearinghouse shall permit the Guaranty Agency (or its authorized representative), during the Clearinghouse's regular business hours, to examine and audit the Clearinghouse's books and records

applicable to the Qualifying Program borrower information provided by or received by the Guaranty Agency under this agreement (whether paper or electronic) and to reasonably inspect the facilities, operations, and operating procedures used to process such information.

12. The Clearinghouse agrees to indemnify and hold the Guaranty Agency harmless from any loss, cost, damage or expense suffered by the Guaranty Agency as a direct result of the Clearinghouse's failure to comply with its obligations provided for in this agreement.

13. All official notices under this agreement to the Clearinghouse shall be provided to:

National Student Clearinghouse
2300 Dulles Station Boulevard, Suite 300
Herndon, VA 20171
Attention: Vickie Graham, Contract Administration

14. All official notices under this agreement to the Guaranty Agency shall be to the signatory and address below, unless otherwise instructed in writing by the Guaranty Agency.

15. This agreement shall continue until terminated. Either party to this agreement may terminate its obligations hereunder, with or without cause, by giving ninety (90) days notice to the other party. This agreement may be amended by written mutual agreement of the parties. Neither party can assign any of its obligations under this agreement to any third party without the consent of the other party, which consent shall not be unreasonably withheld.

NATIONAL STUDENT
CLEARINGHOUSE

Guaranty
Agency_____

Signature_____

Signature_____

Print Name_____

Print Name_____

Title_____

Title_____

Date_____

Date_____

Address_____

City/ST/Zip_____

CERTIFICATE OF RELIANCE

This certificate is to confirm that we, the undersigned guaranty agency (the "Guaranty Agency"), contracted with the National Student Clearinghouse ("Clearinghouse") to collect information on the enrollment of Qualifying Program borrowers (including students on whose behalf PLUS loans were made), and to satisfy the Guaranty Agency's federal obligation to report that information to lenders, holders and servicers. We have agreed to direct to the Clearinghouse all enrollment information requests that we receive.

Please be advised that we also have agreed to the following terms:

- (1) In complying with applicable Guaranty Agency requirements regarding the maintenance of enrollment status information, lenders and other holders of loans guaranteed by the Guaranty Agency may rely on any enrollment information provided, directly or indirectly, by the Clearinghouse to the same extent as if the information had been provided directly by the Guaranty Agency.
- (2) The Guaranty Agency warrants that lenders and holders may rely upon enrollment information provided by the Clearinghouse as if it came directly from the Guaranty Agency.
- (3) The Guaranty Agency agrees that lenders and holders are not required to obtain enrollment information available from the Clearinghouse directly from the Guaranty Agency.

Name of Agency_____

Authorized Signature_____

Date_____