

SLGFA Critical E-Updates

November 7, 2007

Special Edition

E-UPDATES is an electronic newsletter sponsored and operated by the Student Loan Guarantee Foundation of Arkansas (SLGFA) to provide program information to schools and lenders participating in the Federal Family Education Loan Program (FFELP).

Initiating and Terminating Buy Down Services

Clients wishing to initiate or terminate any portion of their fee buy down services should be aware of the following when submitting requests associated with these services to SLGFA:

The Federal Default Fee (FDF) and Origination Fee (O-Fee) buy down services provided by SLGFA are driven off of the **guarantee date**. The disbursement date is not an optional date, which may be used to calculate either of these fees on our guarantor system. Requests to modify your profile should be submitted to SLGFA 30 days prior to the requested effective date. You should expect an acknowledgement of receipt of your request from SLGFA's School and Lender Services Department (SALS) within five business days.

SLGFA's guarantor system calculates the FDF and the O-Fee as loan requests are received and posted for guarantee processing. Client profiles housed and maintained on our guarantor system are also used as a factor to determine if any portion of the fees is bought down on behalf of the borrower during the guarantee cycle.

Please call or e-mail Janet Gonyea at jgonyea@slgfa.org or at 501-688-7633 if you have any questions or want to initiate, terminate, or modify your client profile for the fee buy down services. A comparison chart has been provided to assist you in understanding the parameter(s) within the buy down services.

To view this comparison chart, please click on the following link: <http://www.slgfa.org/slgfa/pubs/client-services/SLGFABuyDownServices.asp>

Disclaimers: <http://www.slgfa.org/slgfa/e-updates/f-print.asp>.

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