



STATE OF CALIFORNIA

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

915 CAPITOL MALL, ROOM 311

SACRAMENTO, CA 95814

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Jeree Glasser-Hedrick
Executive Director

MEMBERS

John Chiang, Chairman
State Treasurer

Edmund G. Brown Jr.
Governor

Betty Yee
State Controller

<p>FOR CDLAC USE ONLY</p> <p>Application No. _____</p> <p>Analyst _____</p>
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THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A STUDENT LOAN PROGRAM

APPLICANT: _____

The Applicant hereby makes Application to The California Debt Limit Allocation Committee (“CDLAC”) for the purpose of providing a student loan program as described herein.

The Applicant agrees that it is the Applicant’s responsibility to provide CDLAC with one original and one duplicate copy of a complete Application, accompanied by a check made payable to the Committee in the amount of ~~\$600~~ \$1200 and a completed Performance Deposit Certification form. The Applicant understands that succinct answers providing the requested information are required. The Applicant understands that if additional space is required, each additional page will be clearly labeled. The Applicant agrees that it is also the Applicant’s responsibility to provide all information that is deemed by CDLAC to be necessary to evaluate the Application. The Applicant understands that CDLAC may verify the information provided and analyze materials submitted as well as conduct its own investigation to evaluate the Application. The Applicant recognizes that it has a duty to inform CDLAC when any information in the Application or supplemental materials is no longer true and to supply CDLAC with accurate information.

The Applicant represents that it has read all Government Code sections relevant to the CDLAC Regulations Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds (“Regulations”). The Applicant acknowledges that CDLAC recommends that the Applicant seek advice from bond counsel.

The Applicant acknowledges that all materials and requirements are subject to change by enactment of federal or state legislation.

In carrying out the development and operation of the proposed program, the Applicant agrees to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all CDLAC program requirements.

The Applicant acknowledges that the Application will be evaluated based on federal and state statutes and regulations pertaining to Qualified Private Activity Bonds for Student Loan Programs and the CDLAC Regulations,

which identify the minimum requirements, evaluation criteria, priorities, and other standards which will be employed to evaluate Applications.

The Applicant acknowledges that the information submitted to CDLAC in this Application or supplemental thereto may be subject to the Public Records Act or other disclosure. The Applicant understands that CDLAC may make such information public. CDLAC will maintain as confidential, certain financial information, but cannot guarantee confidentiality.

The Applicant declares under penalty of perjury that the information contained in the Application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of its knowledge and belief. The Applicant understands that misrepresentation may result in the cancellation of an Allocation, and other actions which CDLAC is authorized to take.

The Applicant agrees to hold CDLAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the awarded Allocation.

The Applicant certifies that it is in compliance with all applicable statutes, laws, rules, and regulations necessary for the transaction of its business.

The Applicant acknowledges that all Application materials are to be delivered to the address below, **by 4:00 p.m.** on the appropriate date at the following address:

The California Debt Limit Allocation Committee
915 Capitol Mall, Room 311
Sacramento, CA 95814

Signature of Applicant's Senior Official

Print Name

Title

Date _____

Additional information may be obtained by accessing the Committee's web site at <http://www.treasurer.ca.gov/cdlac> or by calling the Committee at (916) 653-3255.

The California Debt Limit Allocation Committee complies with the Americans with Disabilities Act (ADA). If you need additional information or assistance, please contact the Committee at 916/653-3255 or TDD 916/654-9922

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A STUDENT LOAN PROGRAM

All references to federal statute are cited for information only. Bond Counsel must be consulted as the requirements are subject to change.

PART I – FINANCING TEAM INFORMATION

1. ISSUER (APPLICANT) OF BONDS

Name of Issuing Agency:

Name of Senior Official:

Title of Senior Official:

Mailing Address:

City:

State:

Zip Code:

Telephone: ())

Fax: ())

E-Mail:

Issuer's Federal Identification No.:

ISSUER CONTACT (staff person who can answer questions regarding this application)

Name of Staff Person:

Title of Staff Person:

Name of Agency (if different from #1 above):

Mailing Address:

City:

State:

Zip Code:

Telephone: ())

Fax: ())

E-Mail:

2. BOND COUNSEL

Name of Firm:

Name of Attorney:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ())

Fax: ())

E-Mail:

3. BOND UNDERWRITER

Name of Firm:

Name of Contact:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ())

Fax: ())

E-Mail:

4. PRIVATE PLACEMENT AGENT (IF APPLICABLE)

Name of Firm:

Name of Contact:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ()

Fax: ()

E-Mail:

5. PRIVATE PLACEMENT BOND PURCHASER (IF APPLICABLE)

Name of Firm:

Name of Contact:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ()

Fax: ()

E-Mail:

6. CREDIT ENHANCEMENT PROVIDER

Name of Firm:

Name of Contact:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ()

Fax: ()

E-Mail:

7. FINANCIAL ADVISOR/CONSULTANT

Name of Firm:

Name of Contact:

Mailing Address of Firm:

City:

State:

Zip Code:

Telephone: ()

Fax: ()

E-Mail:

PART II – ALLOCATION/BOND ISSUE INFORMATION

1. Amount of allocation requested: \$

2. Proposed date of bond issuance:

3. Date of inducement:

Attach (**Attachment “A”**) a copy of the adopted resolution. (See Section 5033(b)(5) of CDLAC Regulations.)

4. Date of TEFRA approval:

Submit (**ATTACHMENT “B”**) proof of TEFRA (public approval process required by 26 U.S.C. Section 147(f)). (See Section 5033(b)(6) of the CDLAC Regulations.)

5. Indicate whether bonds will be sold in a public offering or in a private placement:

Indicate whether the bonds will be variable or fixed rate:

If bonds carry a variable rate:

a. Identify the index:

b. How frequently will the bonds be re-marketed and by whom?

c. Is there a feature to allow a conversion to a fixed rate at some time in the future? If so, under what conditions and when?

6. Indicate by a “YES” or “NO” whether the bond issuance will be used to convert taxable debt to tax-exempt debt:

If “YES”, provide the date, if applicable, on which the proposed Project will lose its ability to use tax-exempt bond financing:

7. Briefly describe credit enhancement structure or private placement transaction (include, at a minimum, any interim financing, if applicable, the amount, closing deadlines, security/collateral provided, guaranties, anticipated closing date, etc.):

Attach (**Attachment “C”**, if more than one commitment, label Attachments in sequential order as **“C-1, C-2”**, etc.) the credit enhancement commitment or commitment to purchase privately placed bonds. (See Article 6 of Chapter 1 of the CDLAC Regulations.)

8. Anticipated bond rating (see Section 5061, 5063 and 5064 of the CDLAC Regulations):

	<u>Rating</u>	<u>Date Rating Anticipated</u>
Fitch		
Moody's		
Standard & Poor's		
Other		

9. Indicate the amount of taxable bonds and other taxable securities that will be issued in conjunction with the requested allocation of tax-exempt bonds (See Section 5470(b)(3) of the CDLAC Regulations relating to Student Loan Secondary Market Loan Purchase Programs):

Attach (**Attachment “D”**) documentation demonstrating that the proceeds of the taxable bonds or other taxable securities will be used towards program expenses that are directly related to the acquisition and servicing of student loans purchased in the secondary market for the Issuer’s portfolio.

10. Does the applicant expect to make an election to cease its status as a qualified scholarship funding corporation pursuant to Section 150(d)(3) of the Internal Revenue Code of 1986 within six months from the due date of this application, and if so, explain how California borrowers would continue to receive the benefits of any allocation awarded pursuant to this application?

PART III - MINIMUM REQUIREMENTS

Applicants are advised to read Section 5461 of the CDLAC Regulations regarding Student Loan Programs when answering the following questions.

1. Evidence of California Nonprofit status & CEFA Requirement
(Section 5461(a) and Section 5461(b) of CDLAC Regulations)

Attach (**Attachment “E”**) evidence documenting that the Applicant is authorized to directly or indirectly make or finance student loans under the Higher Education Act of 1965, or is a state agency. Evidence may include a letter from the Applicant’s legal counsel certifying the legal status of the Applicant.

Before applying to the Committee for allocation of a portion of the State Ceiling pursuant to Government Code Section 8869.82 and 8869.85, an entity that is seeking to issue Qualified Scholarship Funding Bonds must first obtain CEFA board approval, pursuant to Section 9073(a), unless such entity became a qualified scholarship funding corporation as defined in subsection (d) of Section 150 of Title 26 of the United States Code prior to January 1, 2006. The Authority may in its discretion determine not to grant approval to any entity regardless of whether the entity meets the threshold criteria as an Eligible Candidate as defined in Section 9072(b). The Authority will consult and coordinate with the Committee prior to making a final determination.

2. Program Description (Section 5461(f) of CDLAC Regulations)

If the proposed Program is a direct lending program, attach (**Attachment “F”**) a narrative of your proposed program in which you describe any and/or all of the following: marketing activities and status as a lender, anticipated total dollar amount and number of student loans made to 2 year, 4 year and other schools, the household incomes of the student population expected to be served, the eligibility requirements for a loan, the benefits to student borrowers, the mechanism(s) or system(s) for the direct delivery of loans to eligible students and any other features unique to the Program.

If the proposed Program is a secondary market purchase program, attach (**Attachment “F”**) a narrative describing the proposed program that, at a minimum, includes: **a)** the household incomes of the student population expected to be served, **b)** the public benefits of the Program, **c)** the mechanism(s) or system(s) for purchasing student loans in the second market, and **d)** any other features unique to the Program.

3. Proposed Use of Bond Proceeds

If the proposed Program is a direct lending program, provide (**Attachment “G”**) the following information relating to the expected use of proceeds from the proposed bond issue:

<u>Type of School</u> (4-year, 2-year, Trade School)	<u>Estimated Number of</u> <u>Loans to be Originated</u>	<u>Estimated Dollar Amount of</u> <u>Loans to be Originated</u>
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If the proposed Program is a secondary market purchase program, provide (**Attachment “G”**) the following information relating to the expected use of proceeds from the proposed bond issue:

<u>Name & Location of</u> <u>Lender Originating</u> <u>Loans</u>	<u>Estimated</u> <u>Number of</u> <u>Loans to be</u> <u>Purchased</u>	<u>Dollar Amount</u> <u>of Loans to be</u> <u>Purchased</u>	<u>Weighted</u> <u>Average</u> <u>Maturity</u>	<u>Weighted</u> <u>Average</u> <u>Coupon</u>	<u>% of 90-Day</u> <u>Delinquent</u> <u>Loans</u>
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4. Information for Direct Lender Programs (Section 5461(d) of CDLAC Regulations)

Provide (**Table I**) evidence documenting the following:

Portfolio breakdown information. The total dollar amount and corresponding percentage of student loans originated by the Applicant which assist financially needy borrowers in California. The data relied upon may be direct or derived from sources deemed by the Executive Director to be accurate.

Table I

In the following table, please provide the requested information relating to loans. Information will be used to determine the total dollar amount and corresponding percentage of student loans originated by the Program Sponsor which assist financially needy borrowers in California:

CUMULATIVE PORTFOLIO OF PREVIOUS ACADEMIC YEAR: Total dollar amount of loan originations and corresponding percentages (As of _____)		
APPLICANT:		
<u>STAFFORD</u>	Total dollar amount of loan originations by type of loan	Percentage of total dollar amount of loan originations by type of loan
Subsidized	\$ _____	_____ %
Combination Subsidized & Unsubsidized	\$ _____	_____ %
Subsidized & Combination Loans (C)	\$ _____	_____ %
Unsubsidized	\$ _____	_____ %
<u>TOTALS for STAFFORD</u>	\$ _____	_____ %
<u>PLUS</u>	Total dollar amount of loan originations by type of loan	Percentage of total dollar amount of loan originations by type of loan
Subsidized & Combination Borrowers (D)	\$ _____	_____ %
Unsubsidized & Other	\$ _____	_____ %
<u>TOTALS for PLUS</u>	\$ _____	_____ %
<u>TOTALS</u>	Total dollar amount of loan originations by type of loan	Percentage of total dollar amount of loan originations by type of loan
All Loans	\$ _____	100%
Total Subsidized & Combination Loans (C +D)	\$ _____	_____ %

Provide evidence documenting the following:

- A. The number of student loans originated which assist low-income borrowers (below 80% of statewide median income) based on an evaluation of the percentage of subsidized Stafford loans currently held in portfolio versus unsubsidized Stafford loans.
- B. The use of recycled funds for additional programs that may benefit students other than loan purchase programs, such as grants, scholarships, student outreach, and borrower benefit programs offered by the Applicant. Please describe all such programs.
- C. The extent to which the requested amount of private activity bond cap will be leveraged through the use of taxable bonds and other taxable securities, as indicated in Part II/Question #9 of this Application.
- D. The extent to which the Applicant has timely and effectively used previous and existing allocations from the Committee for secondary market loan purchase programs, as supported by the information provided under Part III/Question #3 of this Application.

PART IV – LEGAL STATUS OF PROJECT SPONSOR

If a separate sheet is used to respond to the following questions, the sheet shall be labeled Attachment H.

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome. For a publicly-traded company, the relevant sections of the company's 10K, 8K, and 10Q most recently filed with the Securities and Exchange Commission may be attached in response to question #1. With respect to a response for question #2, previous 10K, 8K, and 10Q filings of the company may be attached if applicable.

1. Disclose material information relating to any legal or regulatory proceeding or investigation in which the project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the project sponsor that is involved in the management, operation, or development of the project.

2. Disclose any civil, criminal, or regulatory action in which the project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

PART V – EVALUATION CRITERIA

Applicants are advised to read Section 5470 of the CDLAC Regulations regarding Student Loan Programs when answering the following questions.

1. Past Program Performance of Program Sponsor's Student Loan Program(s)
(Section 5470(a)(5) of CDLAC Regulations)

The extent to which the Applicant timely disburses student loans as evidenced by its use of previous and existing allocations from the Committee for direct lender student loan programs. The Committee will evaluate the impact of unused bond proceeds on the Applicant's present demand for Allocation.

Provide (**Attachment I**) evidence documenting the Past Program Performance of Program Sponsor's Student Loan Program (s).

2. Please provide the following information relating to last year's average interest rates:

Table II (Section 5470(a)(3) of CDLAC Regulations)

Interest Rate Evaluation (actual performance information from last year's program)
Time Period is the current academic year (July 1- June 30) to-date

Applicant Name:				
Loan Type	Subsidized Stafford	UnSubsidized Stafford	PLUS Parent	PLUS Graduate
(A) Percentage of total loans made on behalf of California students for time period				
(B) Average <i>Statutory</i> Interest Rate				
(C) Total Discount				
(D) Discounted Interest Rate - <i>Actual Performance</i>				
(E) <i>Proposed</i> Discounted Interest Rate (from last year's information)				
(F) Multiplier based on size of program (number derived by 10% intervals: i.e- 1 for 10%; 2 for 20%, etc.) – use decimals to the tenth place				
(G) Weighted Average <i>Statutory</i> Interest Rate ¹ (Multiply B by F)				
(H) Weighted Average Interest Rate Discount – <i>Actual Performance</i> (Multiply C by F)				
(I) Weighted Average Discounted Interest Rate – <i>Actual Performance</i> (Subtract H from G)				
(J) Weighted <i>Proposed</i> Discounted Interest Rate (Multiply E by F)				
(K) Weighted Discounted Interest rate average (across programs) – <i>Actual Performance</i> (Add the numbers from row I add divide by 10)				
(L) Weighted <i>Proposed</i> Interest rate average (across programs) (Add the numbers from row J add divide by 10)				

Percentage of loans for which the Applicant/Guarantor paid for the guarantee fee- <i>Actual Performance</i>	
Percentage of loans for which the Applicant/Guarantor paid for the origination fee- <i>Actual Performance</i>	

¹ This number is the weighted average of the market interest rate for each student loan program. The extent to which the market interest rate will be weighted, will depend on the relative size of the particular student loan program (i.e- Stafford Subsidized, Stafford Unsubsidized, PLUS Parent and PLUS Graduate).

Percentage of loans for which the Applicant paid for other discounts ² (please briefly explain types of discounts)	
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3. Please provide the following information relating to your proposed future savings on loans. This chart will be used to establish your baseline for the following academic year:

Table III (Section 5470(a)(2) of CDLAC Regulations)

Loan Evaluation				
Applicant:				
Loan Type	Subsidized Stafford	UnSubsidized Stafford	PLUS Parent	PLUS Graduate
Repayment Term	10 years	10 years	10 years	10 years
Amount Borrowed	\$10,000	\$10,000	\$10,000	\$10,000
Origination Fee	\$	\$	\$	\$
Guarantee Fee	\$	\$	\$	\$
In-School Capitalized Interest	n/a	\$	n/a	n/a
Total Principal Balance	\$	\$	\$	\$
Total Interest Paid Over Life of Loan	\$	\$	\$	\$
Total Savings Over Life of the Loan	\$	\$	\$	\$
Proposed Discount on Interest Rate	%	%	%	%

² Only include those students who received the benefit of all "other" discounts

4. Please provide the following information related to your actual savings on loans for the time period determined by the last STUDENT MARKETMEASURE Standard Report 10D:

Table IV (Section 5470(a)(4) of CDLAC Regulations)

Loan Savings Evaluation (actual performance information from last year's program)				
Time Period is current academic year (July 1-June 30) to-date				
Applicant:				
Loan Type	Subsidized Stafford	UnSubsidized Stafford	PLUS Parent	PLUS Graduate
(A) Percentage of total loans made on behalf of California students for time period	%	%	%	%
(B) Multiplier based on size of program (number derived by 10% intervals: i.e- 1 for 10%; 2 for 20%, etc.) - use decimals to the tenth place				
(C) Average Discounted Interest Rate – <i>Actual Performance</i>	%	%	%	%
(D) <i>Proposed</i> Discounted Interest Rate from Last Year	%	%	%	%
(E) Difference between <i>actual</i> average interest rate and <i>proposed</i> discount rate from last year (Divide D by C)				
(F) <i>Proposed</i> total savings over life of the loan (using information from last year's application)				
(G) Weighted gross average of <i>proposed</i> savings over the life of the loan (assuming that all loan volume is at maximum discount) (Multiply B by F)				
(H) Weighted gross average of savings with modifier for <i>actual</i> average interest rate (Multiply G by E)				
(I) Weighted average of <i>actual</i> savings over the life of the loan-across programs: (Add the numbers from row H and divide by 10)				

STUDENT LOAN APPLICATION DOCUMENTS CHECKLIST

This checklist is provided to ensure that a completed application package is filed with the Committee. If an attachment does not apply, please write N/A in the space provided.

Your application package must contain the following:

Check Box	Document Description	Attachment Name
<input type="checkbox"/>	\$ 600 <u>1200</u> initial filing fee (See Section 5033(b)(2) of CDLAC Regulations)	N/A
<input type="checkbox"/>	<u>Signed</u> Deposit Certification Form (See Section 5033(b)(1) of CDLAC Regulations)	N/A
<input type="checkbox"/>	Completed and <u>signed</u> application form	N/A
<input type="checkbox"/>	Adopted Inducement Resolution (Attachment A) (See Section 5033(b)(5) of CDLAC Regulations.)	A
<input type="checkbox"/>	Evidence of TEFRA hearing (either adopted resolution or certification) (Attachment B) (See Section 5033(b)(6) of CDLAC Regulations.)	B
<input type="checkbox"/>	Evidence of Credit Enhancement or Bond Purchase Commitment (Attachment C) (See Article 6 of Chapter 1 of CDLAC Regulations.)	C
<input type="checkbox"/>	Evidence of Leveraging (Attachment D) (See Section 5470(b)(3) of CDLAC Regulations)	D
<input type="checkbox"/>	Evidence of California Nonprofit Status & CEFA Requirement	E
<input type="checkbox"/>	Program Description	F
<input type="checkbox"/>	Proposed Use of Bond Proceeds	G
<input type="checkbox"/>	Legal Status of Applicant	H
<input type="checkbox"/>	Past Program Performance	I
<input type="checkbox"/>	Self-Scoring Sheet	J
<input type="checkbox"/>	Duplicate copy of CDLAC Application with Attachments [NOTE: Any subsequent mailings of additional application materials should be in <u>duplicate.</u>]	DUPLICATE

1. Each Applicant for a Qualified Private Activity Bond Allocation must submit evidence to the Committee that it has on deposit in an account in a financial institution an amount **equal to one half of one percent** of the amount of Qualified Private Activity Bond Allocation being requested, **not to exceed \$100,000**. Applicants are advised to read Article 5 of Chapter 1 of the Committee's Regulations.
2. The Performance Deposit Certification Form (see other side) must be filed with the Committee in conjunction with the filing of an Application and by the Application Deadline.
3. The Committee will authorize release or require forfeiture of the deposit as follows:
 - a. If the Committee provides no Allocation, or grants an amount lower than requested by the Applicant, the Committee will authorize release of the deposit or release of a pro rata amount of the deposit so that only one-half of one percent (0.5%) of the Allocation granted is on deposit;
 - b. If the Applicant uses only a portion of the Allocation granted to issue bonds (or convert the Allocation to mortgage credit certificate authority), the Committee will authorize the release of the deposit in accordance with the conditions imposed at the time of Allocation. The Committee will approve the Allocation with the deposit fully refundable if 80% or more of the Allocation is used to issue bonds prior to the expiration date. If less than 80% of the Allocation is used to issue bonds prior to the expiration date, the refundable performance deposit will be pro-rated. For Mortgage Credit Certificate Programs, if 80% or more of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the performance deposit will be refunded in full. If less than 80% of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the refundable performance deposit will be pro-rated.
 - c. If the Applicant does not use any of the Allocation to issue bonds prior to the expiration date (or convert the Allocation to mortgage credit certificate authority and issue at least one mortgage credit certificate prior to the expiration date), the entire deposit will be forfeited; and
 - d. If the Applicant or the Project Sponsor withdraws the Application in writing prior to the Committee's consideration of the Application, the performance deposit shall be automatically released and no written authorization from the Committee shall be necessary.
4. If the Applicant forfeits all or a part of a deposit pursuant to Article 5 of Chapter 1 of the Committee's Regulations, the Applicant shall send the required amount to the Committee in a check made payable to "The California Debt Limit Allocation Committee". Amounts received will be deposited in the Committee's Fund.
5. Project Sponsors bear the risk of forfeiting all or part of their performance deposit if the Allocation is not used in accordance with the conditions and timeframes set forth in the Committee Resolution.

Attachment I (Past Program Performance)

Section I

Past Program Performance of Program Sponsor's Student Loan Program(s)

If the allocation will be used for a direct lender program, answer only those questions below that are applicable to a direct lender. If the allocation will be used for a secondary market purchase program, answer only those questions below that are applicable to a secondary market purchase program.

- A. Provide the following information relating to Allocations of student loan qualified private activity bonds received in the past 5 years (i.e.-1995 through 1999). **Include an explanation for any unused amounts of Allocation (include plan for how unused amounts will be used):**

<u>Year</u>	<u>Amount of Allocation</u>	Amount of Allocation Used for Reserves and Capitalized Interest	Amount of Allocation Made Available for <u>Student Loans</u>	Status of Unused Lendable Bond <u>Proceeds</u>	% of Last Allocation Granted that are Unused Lendable <u>Proceeds</u>
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- B. Indicate the Applicant's total portfolio under management (i.e. amount, number of loans, etc.).

- C. Provide the following information relating to delinquencies as of the most recent month for which information is available:

<u>Month</u>	<u>30-60 Days</u>	<u>60-90 Days</u>	<u>90-120 Days</u>	Over 120 <u>Days</u>	Total Delinquent <u>Amount</u>	% of Total <u>Portfolio</u>
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Attachment I (Past Program Performance-continued)

Past Program Performance of Program Sponsor's Student Loan Program(s)

E. D. Provide the following information relating to defaults:

<u>Year</u>	<u>Total Default Amount</u>	<u>% of Loanable Funds</u>
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E. Provide the following information relating to loans sold during the most recent 3-year period (specify the 3-year period):

<u>Year</u>	<u>Number of Loans Sold</u>	<u>Dollar Amount of Loans Sold</u>	<u>% of Loans Sold Over 90- Days Delinquent</u>
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F. Have there been any significant loan servicing problems with the portfolio(s) that have impacted the service provided to students? If so explain:

Attachment J (STUDENT LOAN SELF SCORING SHEET)

(Section 5470(a)(1) of CDLAC Regulations)

Calculation 1: Take total amount lent from STUDENT MARKETMEASURE Standard Report 10D for both your program and any other programs that are requesting allocation for the Student Loan Program. Add up these amounts. Divide the total amount lent of your program by the total amount lent of all programs. Multiply this percentage by the Reservation for the Student Loan Program Pool.

Example of Calculation 1:

Based on the STUDENT MARKETMEASURE Standard Report 10D:

Applicant A made \$200,000,000 in student loans.

Applicant B made \$100,000,000 in student loans.

Applicant A has lent 2/3 of the total amount lent by the two programs.

Applicant B has lent 1/3 of the total amount lent by the two programs.

Reservation for the Student Loan Program Pool is \$210,000,000

Applicant A receives \$140,000,000³ (2/3 x \$210,000,000)

Applicant B receives \$70,000,000⁴ (1/3 x \$210,000,000)

Calculation 2: In cases in which both programs (Applicant A and Applicant B) either (A) have not produced an average interest rate within 25% of the proposed target or (B) have both produced an average rate within 25% of the proposed target, this category will not alter the number determined by calculation 1. However, assuming that one program produced an average interest rate that is within 25% of their proposed target discount rate (Applicant B) and another program did not produce an average interest rate that is within 25% of their proposed target discount rate (Applicant A), determine the difference between Real Savings Per Student Number (row I from table on page 16 of the application) for Applicant A and Applicant B. Take this number and multiply it by number of loans made by Applicant A. This number is then added to Applicant B's allocation (as determined by calculation 1) and simultaneously taken away from Applicant A (as determined by calculation 1).

Example of Calculation 2:

Applicant B (within 25% of their proposed target discount rate)

Applicant A (not within 25% of their proposed target discount rate)

Applicant B has a Real Savings Per Student of \$1,500

Applicant A has a Real Savings Per Student of \$1,200

Difference between Real Savings Per Student for the two programs (D) is \$300

Number of Loans made by Applicant B (for the time period covered by the most current STUDENT MARKETMEASURE Standard Report 10D): 10,000 loans (L)

Multiply (D) by (L): \$300 x 10,000 = \$3,000,000 (penalty/reward amount)

Per Calculation 1, Applicant A receives \$140,000,000 and Applicant B receives \$70,000,000;

However, based on Calculation 2, Applicant B receives \$73,000,000 and Applicant A receives \$137,000,000.

³ This number could be changed after Calculation 2.

⁴ This number could be changed after Calculation 2.