

**Loan Originations**  
P.O. Box 21487  
Columbia, SC 29221



**Repayment Services**  
P.O. Box 21337  
Columbia, SC 29221

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## Certification of Administrative Capability

The South Carolina Student Loan Corporation does hereby certify compliance with the following:

The South Carolina Student Loan Corporation has an agreement with the South Carolina State Education Assistance Authority (Authority) to operate as its designated lender and has received approval from the U.S. Department of Education in order to be eligible to participate in the Federal Family Education Loan (FFEL) Programs by complying with the following:

- SCSL meets the federal and state definitions of an eligible lender;
- SCSL has executed an agreement to guarantee loans with the guarantor and meet any other guarantor requirements (this agreement defines the terms and conditions of the lender's participation in the FFELP under the guarantor's loan programs); and
- SCSL has obtained the necessary lender identification numbers (LID) from the Department.

To maintain its eligibility to participate in the FFELP under the Authority's programs, SC Student Loan must administer its loan portfolio in compliance with the following:

- The Higher Education Act of 1965, as amended;
- Federal regulations promulgated by the Department;
- Federal directives, including Department guidance such as Dear Colleague Letters/Dear Partner Letters;
- Guarantor policies; and
- Other requirements and procedures provided by the Authority.

SC Student Loan is considered administratively capable by meeting the following criteria:

- SC Student Loan provides the services and administrative resources necessary to fulfill its contract with the Authority and conducts all of its contractual obligations applicable to the FFELP in accordance with program regulations;
- SC Student Loan has business systems (automated and/or manual) that are capable of meeting the requirements of the Act and Federal regulations, with respect to the FFELP; and
- SC Student Loan has adequate personnel, who are knowledgeable about the FFELP.

If SCSL fails to comply with any of the preceding requirements, the Authority may limit, suspend, or terminate SC Student Loan's eligibility to participate in the Authority's programs.

### General Responsibilities

#### ***Borrower Inquiry***

SCSL is required to respond to any inquiry from a borrower or endorser on a loan within 30 days of the date on which the lender receives the inquiry. If a borrower disputes the terms of a loan in

writing, and the lender does not resolve the dispute, the lender must provide the borrower with information regarding an appropriate guarantor contact for the resolution of the dispute. [§682.208(c)(1) and (c)(3)(i)]

***Delegation of Duty***

If SCSL delegates the making, servicing, collection, or assignment of its loans to any servicer or other party, then SCSL must ensure that the other entity meets all regulatory requirements.

***Standards for Electronic Signatures***

SCSL abides by P.L. 106-229, the Electronic Signatures in Global and National Commerce Act and Dear Partner Letter GEN-01-06 which provides voluntary standards associated with the use of electronic signatures in electronic student loan transactions.

***Recordkeeping Requirements***

SCSL complies with Federal regulation regarding recordkeeping requirements. [§682.414(a)(4)(i)]

***Loan Assignment, Sale, or Transfer***

SCSL agrees to notify a borrower if his or her loan is assigned, sold, or transferred—if the loan is in a grace or repayment status—and the transaction causes a change in the party to whom the borrower must send future payments and communications. Loan assignments, sales, or transfers will be reported to the Authority. [§682.208(e)(1) and (4)]

***Permitted and Prohibited Activities***

SCSL agrees to abide by the permitted and prohibited activities prescribed for a lender as stated in the Higher Education Act of 1965, as amended, Section 435(d)(5)(A) and Federal regulation [§682.200(b) *Lender*].

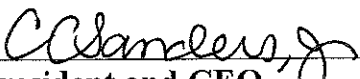
***Charges to Borrowers***

SCSL may impose only those charges as provided by the terms of the borrower's promissory note and as permitted by federal and state law. [682.202(a)-(h)]

***Reporting Requirements***

SCSL complies with all the reporting requirements as indicated below as well as with any applicable consumer loan reporting requirements, as outlined in various federal and state laws.

- Reporting of applicable fees, interest benefits and special allowance;
- Credit bureau reporting;
- Reporting enrollment and loan status information;
- Reporting any FFELP loan-related data to the guarantor or to the Department, as applicable, by the deadline established by the Department;
- Reporting loan assignments, sales, and transfers;
- Applicable NSLDS Reporting including reporting Social Security Number, date of birth, and first name changes or corrections; and
- Reporting loans paid in full.

  
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**President and CEO**  
**South Carolina Student Loan Corporation**

5/14/08  
**Date**