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TG Establishes Grant Program for Texas College Students

On Friday, June 2, 2000, the Board of Directors for Texas Guaranteed Student Loan Corporation (TG) approved a resolution authorizing TG to provide \$250,000 in student financial aid grants over the next academic school year. The grants will be awarded to 17 four-year and 16 two-year Texas institutions of higher education. Each selected institution will make need-based awards to students using its established financial aid delivery process.

For the initial year, TG will award grants to institutions based on:

- “Average unmet need,” as reported to the Texas Higher Education Coordinating Board, to rank four-year and two-year schools from highest to lowest in average unmet need; and
- The amount of the state’s median borrower indebtedness (MBI) for the most recent year available, as calculated by TG, until the \$250,000 approved by the Board is fully disbursed.

Using the state’s MBI enables TG to award 33 grants to Texas institutions of higher education in the amount of approximately \$7,617 during the first year of the program. Preliminary TG estimates show the MBI will increase to \$9,785 in 2001, \$11,255 in 2003, and \$12,725 by 2005.

“By using the average unmet need and median borrower indebtedness to allocate funds, TG is able to make the connection between lowering student debt through grant aid and drawing

attention to the gap between the cost of education, the type and amount of aid received, and the types of student aid a school is able to package,” said Milt Wright, TG President and CEO.

TG is able to establish this grant program due to changes made by the U.S. Congress in 1998 to the Higher Education Act of 1965.

TG is able to establish this grant program due to changes made by the U.S. Congress in 1998 to the Higher Education Act of 1965. The changes to the Act allow guaranty agencies like TG to use funds to promote student financial aid. Additionally, the 76th Texas Legislature amended TG’s state authorizing statute to allow TG to use funds to promote and fund higher educational programs.

TG’s Board of Directors will revisit the funding of the program annually and authorize an amount based on the corporation’s overall financial situation.

Questions

For questions or more information about the TG Grant, contact George Torres at (800) 252-9743, ext. 4503 or send an e-mail message to george.torres@tgslc.org. ★



NEWLY REPORTED CLOSURES

TG SCHOOL ID#	SCHOOL NAME	SCHOOL ADDRESS	UNOFFICIAL CLOSURE DATE	ED'S OFFICIAL CLOSURE DATE
023251010	Atlantic Coast Institute	7289 Garden Rd. Riviera Beach, FL 33404-4917	N/A	01/26/1995
025321010	Business Computer Training Institute	424 N. 130th St. Seattle, WA 98133-7910	N/A	10/01/1999
022852000	Hair Design School (The)	3513-15 Ramill Rd. Memphis, TN 38128-3301	N/A	04/21/2000
025243000	Roberts Institute of Hair Design of Brooklyn	360 Ritchie Hwy. Severna Park, MD 21146-1910	N/A	03/16/2000
006602000	St. Joseph Hospital School of Nursing	1003 Monroe Ave. Memphis, TN 38104-3104	N/A	03/31/2000
021718000	Sabina's Beauty Academy	195 Tremont St.- 80 Boylston St. Boston, MA 02116	N/A	07/31/1989
001986000	Sue Bennett College	151 College St. London, KY 40741-2400	N/A	11/26/1997

Default Aversion Assistance Request Information for Schools

Annually, Texas Guaranteed Student Loan Corporation (TG) invites schools to subscribe to a free and useful default aversion tool, the Notice of Default Prevention Activity report [§682.404 (a)(4)]. The tool is beneficial because it notifies schools or their agents when current or former students are the subject of a default aversion assistance request (DAA) (previously a Request for Assistance, or RFA) filed by a lender.

Schools may make a blanket request to receive the weekly Notice of Default Prevention Activity report. This report notifies schools of borrower delinquencies when TG receives a DAA (between day 60 and day 120) and again at day 159. In the future, the report will also notify schools at day 230 in order to account for the default date change from day 180 to day 270 brought about by the 1998 Reauthorization. It also identifies borrowers who cannot be located, those who have had their delinquencies cured by deferment, forbearance, or payment, as well as borrowers who are in a claim-pending status with TG.

The Notice of Default Prevention Activity report is valuable to all schools — especially those that have implemented default management programs. The data provided on the report is derived directly from DAA updates that TG receives from lenders and servicers.

The report is available in paper and in an electronic format. The electronic version, called the Electronic School Report (ESR), is available through the Report Request/Distribution (RRD) system. In addition to providing useful information about delinquent borrowers, the electronic version allows for easy management of the information. For example, schools can generate and customize various letters to borrowers by pushing a button!

Questions

For a free subscription to the paper or electronic report, contact your TG Customer Services Regional Consultant at (800) 252-9743 or a TG Customer Support Group team member at ext. 2222. For questions about default management training, contact Joe Braxton at

(800) 252-9743, ext. 4696, by e-mail at joe.braxton@tgslc.org or by fax at (512) 219-4630.

For technical assistance with RRD, contact Aubrey Stelly at (800) 252-9743, ext. 4575, by e-mail at aubrey.stelly@tgslc.org or by fax at (512) 219-4525. ★

Destroy Old Common Stafford Applications

As of July 1, the transition to the Stafford Master Promissory Note (MPN) is complete. All loans certified on or after July 1, 2000, or for loan periods beginning on or after July 1, 2000, must be for loans evidenced by the MPN. If you have copies of the Common Stafford Application and Promissory Note, please destroy these forms. ★

Ombudsman Notification Requirements Effective July 1, 2000

In keeping with provisions in the 1998 Reauthorization of the Higher Education Act, last year, the U.S. Department of Education (ED) established an Office of the Ombudsman for student loans. The purpose of this office is to receive, review, and attempt to resolve disputes from student loan borrowers that have not been resolved through normal customer services provided by lenders and guarantors. Final regulations, effective July 1, 2000, require that borrowers be provided information, at certain specified times, on the availability of the ED ombudsman.

A recent Dear Partner Letter contained contact information for the ED ombudsman. The ombudsman may be reached by mail at Office of the Ombudsman
Student Financial Assistance
U. S. Department of Education
Room 3012, ROB #3
7th and D Streets, SW
Washington, DC 20202-5144

The ombudsman may also be reached by telephone, toll-free, at (877) 557-2575 or on the Internet at <http://sfahelp.ed.gov> or <http://ombudsman.ed.gov>.

School Requirements

During exit counseling, schools must review with the student borrower information on the availability of ED's Office of the Ombudsman for dispute resolution [34CFR 682.604(g)(2)(vii)]. It is important to include in the discussion that borrowers should first seek remedies through normal customer service channels — lender first, guarantor second, and ED last.

Lender and Guaranty Agency Requirements

In specific instances when a borrower disputes the terms of a loan in writing to the lender, and the lender does not resolve the

dispute, the lender's response must provide the borrower with an appropriate contact at the guaranty agency for the resolution of the dispute [34CFR 682.208(c)(3)(i)]. For this purpose, TG borrowers should contact the TG ombudsman by mail at Office of the Ombudsman, Texas Guaranteed Student Loan Corporation, P. O. Box 201725, Austin, TX 78720-1725 or by telephone, toll-free, at (800) 252-9743, ext. 4502.

If TG does not resolve the dispute, the TG response must provide the borrower with information on the availability of ED's Office of the Ombudsman.

Lender Due Diligence

Additionally, as part of the collection activities required in 34CFR 682.411(b)(3), a lender must provide the borrower with information on the availability of ED's Office of the Ombudsman. Please be sure that at least one of your notices or collection

letters is revised to contain this new information.

To continue TG's Claims policy of accepting an automated history from lenders or servicers in lieu of hard-copy notices and collection letters, the revised notice or collection letter that includes the ombudsman notification must be submitted to TG for review. Lenders and servicers may submit their requests for approval to Rinn Harper, Assistant Vice President, Claims, Texas Guaranteed Student Loan Corporation, P. O. Box 201725, Austin, TX 78720-1725.

Questions

For questions about the Ombudsman requirements mentioned in this article, contact Rinn Harper, Assistant Vice President, Claims, at (800) 252-9743, ext. 4612, or send an e-mail message to rinn.harper@tgslc.org. ★

THE WEBSHOP

INTERNET RESOURCES REFERENCED IN THIS ISSUE

Beginning this month, TG is pleased to provide *Shoptalk* readers with a resource to make it easier to find the information you need quickly. "The WebShop" will make it easy for you to find the Internet resources referenced in each issue of *Shoptalk*, without searching through the entire issue.

MPN Details

TGWorks Online, "Schools & Lenders," Master Promissory Note
http://www.tgslc.org/tgslc/mpn_main.htm

TG's Ombudsman

TGWorks Online
<http://www.tgslc.org/tgslc/omb1.htm>

U.S. Department of Education Ombudsman

<http://sfahelp.ed.gov>
<http://ombudsman.ed.gov>

The Integrated Version of the *Common Manual* online

TGWorks Online, "Schools & Lenders"
http://www.tgslc.org/tgslc/schools/integrated_online_manual.htm ★

COMMON MANUAL UPDATES

INFORMATION ON REVISIONS TO THE COMMON MANUAL

Note: Current *Common Manual Updates* (Updates) and an integrated version of the *Common Manual* (integrated version) are available on *TGWorks Online* under “Schools & Lenders.” By posting Updates and the integrated version online, TG’s customers can access new policies shortly after the *Common Manual Governing Board* approves them.

If you want to be notified each time Updates and a revised integrated version are posted online, you can join TG’s electronic news service, *TG NetWorks*. To join, go to *TGWorks Online* at www.tgslc.org, click “Subscribe,” and complete the online form.

New Exit Counseling Requirements

The *Common Manual* has been updated to include the following new regulatory requirements for exit counseling:

- Schools may use audiovisual or interactive electronic means to conduct exit counseling.
- Schools may provide exit counseling materials to study-abroad students by mail.
- Schools may use interactive electronic means for students who withdraw or fail to complete exit counseling.
- Schools are now required to provide the information listed in regulations and in subsection 4.9.C. of the *Common Manual*.
- Schools must inform students with SLS loans that refinancing of SLS loans is available.
- Schools must explain conditions for full cancellation of the loan, as well as partial cancellation.
- Schools must provide each student with information about the Student Loan Ombudsman’s office.
- Schools must explain the use of the Master Promissory Note.
- Schools must take reasonable steps to ensure that the student receives, participates in, and completes exit

counseling if it is conducted by interactive electronic means.

Affected Sections: 4.9.C.

Effective Date: Students who cease half-time attendance on or after July 1, 2000, unless implemented earlier by the school

Basis: §682.604(g) – as updated in the *Federal Register* dated November 1, 1999

Policy Information: Reference #415

Guarantor Comments: TG exit counseling materials have been updated to reflect the new policy. Also, see the “Ombudsman Notification” article on page 3 in this edition of *Shoptalk*.

Lender Record Retention Time Frames Modified

The *Common Manual* has been revised to incorporate new record retention time frames for loan sales or transfers. A lender must retain a record of the notice of loan sale or transfer that was provided to the borrower for at least 3 years after the date the loan is paid in full by the borrower or 5 years after the date the lender receives payment in full from any other source.

Affected Sections: 3.4.B.

Effective Date: Loan records retained by the lender on or after July 1, 2000, for loans paid in full by the borrower or from any other source

Basis: §682.414(a)(4) and (5) – as updated in the *Federal Register* dated October 29, 1999

Policy Information: Reference #448

Guarantor Comments: None

Distinguishing between Disbursed Aid and Disburseable Aid

The *Common Manual* now includes the following definition of disburseable aid:

Disburseable aid equals disbursed aid plus the amount of any other Title IV aid that could have been appropriately disbursed to the student during the payment period or period of enrollment in which the student withdrew. Title IV

aid that could have been disbursed includes aid that the school awarded to the student for the payment period or period of enrollment, but that was not credited to the student’s account or disbursed to the student as of the date that the school became aware that the student withdrew. These funds are subject to the late disbursement and delivery provisions described in subsections 6.2.H. and 6.3.H. An example of aid that could have been disbursed would be funds that the school could not receive from a lender due to technical difficulties in the disbursement process or circumstances beyond the school’s control.

Affected Sections: 4.7.A.

Effective Date: Title IV recipients who withdraw on or after October 7, 2000, unless implemented earlier by the school on or after November 1, 1999

Basis: §668.22(e) and (l)

Policy Information: Reference #449

Guarantor Comments: None

Scheduled Breaks and Calculations of Earned Aid

The *Common Manual* has been revised to define the scheduled breaks that schools must exclude when calculating the percentage of the payment period or period of enrollment that a student completed. For the purpose of this calculation, “calendar days” refers to all days within the period, excluding scheduled breaks of at least five consecutive days. Scheduled breaks measure the time between the last day of scheduled classes and the next day that classes are held, and include weekends and any periods during which the student is on an approved leave of absence. Following are examples of the periods that should be excluded from the calculation:

If a break begins on Wednesday, no classes are held the following weekend,

See COMMON MANUAL on page 5.

COMMON MANUAL (Continued from page 4)

and classes resume on Monday, the weekend days are included in the break. By including the weekend, the break is five days long, and five days must be excluded from both the numerator and the denominator of the aid earned calculation.

If a break begins after classes end on Friday and classes resume on Monday following a one-week break, both weekends are included in the break. This break is nine days long, and nine days must be excluded from both the numerator and the denominator of the aid earned calculation.

Affected Sections: 4.7.A.

Effective Date: Title IV recipients who withdraw on or after October 7, 2000, unless implemented earlier by the school on or after November 1, 1999

Basis: §668.22(f)(2)

Policy Information: Reference #450

Guarantor Comments: None

Entrance Counseling Requirements

Current *Common Manual* policy has been revised to differentiate between the required and recommended information that a school must include in entrance counseling for Stafford loan borrowers. In conducting entrance counseling, the Department stipulates that a school must:

- Explain the use of the Master Promissory Note.
- Emphasize to the student the seriousness and importance of the repayment obligation the student is assuming.
- Describe in forceful terms the likely consequences of default, including adverse credit reports and litigation.
- Except for a student who receives a loan made or originated by the school, the school must emphasize that the student is obligated to repay the full amount of the Stafford loan, even if the student does not complete the program, is unable to obtain employment upon completion, or is otherwise dissatisfied

with or does not receive the educational or other services that the student purchased from the school.

In an effort to improve a student's understanding of his or her loan repayment obligation, the Department recommends that the school provide additional information as outlined in Appendix D of 34 CFR 668 and *The Federal Student Aid Handbook* as part of the entrance counseling provided.

Affected Sections: 4.9.B.

Effective Date: Entrance counseling conducted by the school on or after July 1, 2000, unless implemented earlier by the school

Basis: §682.604(f) – as updated in the *Federal Register* dated November 1, 1999; Appendix D of §668

Policy Information: Reference #451

Guarantor Comments: None

More MPN Provisions

The *Common Manual* has been updated to reflect the following provisions of the Master Promissory Note (MPN):

- The MPN authorizes the lender to defer all of a borrower's FFELP loans based on information indicating the borrower is enrolled at least half time.
- The MPN authorizes the lender to capitalize accrued interest on all the borrower's FFELP loans, including those made under the MPN.
- The MPN authorizes the lender to align repayment of the borrower's Stafford and SLS loans.

These provisions have been in effect since the implementation of the first MPN.

Affected Sections: 7.3.A., 7.7.A., 7.11.B.

Effective Date: Loans disbursed on or after July 1, 2000, or earlier if the loan was made using the Master Promissory Note

Basis: Master Promissory Note

Policy Information: Reference #452

Guarantor Comments: MPN Questions and Answers are located at www.tgslc.org under "Schools & Lenders."

Glossary Definition for Default Aversion Request Period

The definition for Default Aversion Request Period is being updated as follows:

Default Aversion Request Period: The period during which a lender must submit a request for default aversion assistance from a guarantor. This period begins no earlier than the 60th day and ends no later than the 120th day of the borrower's delinquency.

Affected Sections: Appendix G

Effective Date: Loans for which the first day of delinquency on the oldest outstanding due date is on or after July 1, 2000, unless implemented earlier by the guarantor

Basis: §682.404(a)(2) and (k) and §682.411(i) – as updated in the *Federal Register* dated October 29, 1999

Policy Information: Reference #453

Guarantor Comments: TG urges lenders to continue to file requests between the 60th and the 80th day of delinquency. The experience of both schools and TG has demonstrated that early intervention in delinquencies is a significant factor in their successful resolution. ★

2000 Common Manual Mailed

The 2000 *Common Manual* was mailed to Texas Guaranteed Student Loan Corporation (TG) customers in late June. If TG is your primary guarantor and you did not receive a copy, please contact TG Customer Services at (800) 252-9743, ext. 4444, or send an e-mail message to customer.services@tgslc.org. ★

Annual School Loan Certifications

(a.k.a. When Is a Loan a Loan and When Is a Year a Year?)

Author's Note: With MPN, as with so many other issues in our world today, communication is the key. Right now, we're in a stage of transition as all of our business partners work to fully implement MPN. Will there be growing pains? Yes. Is MPN terminology a language all its own? Yes. Will we look back in a year or two and think it was worth the effort? We definitely think so and certainly hope so! In the meantime, we all need to do our best to get to a common understanding of the processes so that our trading partners can rely on us to communicate in a clear, consistent manner.

MPN "problems" appear to begin with trying to apply familiar terms to the MPN world. For example, the terms "annual" and "multi-year" schools. While these terms make it appear that borrowers attending "annual" schools only have to sign one MPN each year, the fact is that those borrowers may have to sign multiple MPNs during a year. Similarly, borrowers attending an "annual" school may not have to sign a new MPN for a new "loan" if the subsequent loan request can be counted as an increase to a prior loan rather than a new loan.

In addition to the special terms related to MPNs, we also have to be familiar with CommonLine "speak." When a new user or a new process begins, trading partners may not always handle things in the defined manner. This, too, can create confusion among business partners. For example, some loan requests should be submitted as new loans while others should be treated as adjustments to prior loans. The following article explains some of the situations business partners are encountering and (attempts to) explain the particulars of how these situations should be handled to minimize confusion and maximize streamlined processing.

Annual School Loan Certifications

Federal regulation 34CFR 682.401(d)(4)(iii) states that a borrower attending a school not eligible for the multi-year

function must complete a new Master Promissory Note (MPN) for each loan period.^o This means that regardless of how a non-multi-year school certifies a borrower's eligibility for additional funds (i.e., as a new loan or a loan adjustment), the borrower must sign a new MPN if the borrower's subsequent loan period is greater (even by one day) than the original loan period. Likewise if the borrower's subsequent loan is for the same loan period or is contained within the original loan period, it is a loan adjustment and does not require the borrower to sign a new MPN. In other words, schools', lenders', and guarantors' technology systems and processes should not govern whether a new MPN should be signed. The loan period is the driving factor.

Conveying the Loan Request

In this time of transition, a school's or service provider's system may not accommodate increases to existing loans using a CommonLine Change Transaction Send @1-24 loan increase record. Or the school may have originally certified a subsidized Stafford loan and the borrower is now eligible for an unsubsidized Stafford loan. In these situations, a non-multi-year school may certify a request for an increase through the use of a new CommonLine Application Send file.

The school should populate the Requested Serial Loan Code with the value of "S" to indicate to the service provider that it is a request to use the existing MPN. A service provider receiving this request should validate that the new certification follows the guidelines published by the NCHHELP MPN Task Force, and, if so, that a valid note exists. If these criteria are met, the service provider should not require a new MPN. However, a school that wishes to request a new MPN for this additional certification should populate the Requested

Serial Loan Code with the value of "N."

If a prior valid MPN does not exist, or the period of enrollment for the new loan request is not the same as or is not contained within the same period of enrollment of a prior loan, then the service provider should require a new MPN.

At TG, the new loan request will initially reject on the TG system. Loan Guarantee Operations will override the reject and guarantee the loan request within 24 hours as long as the request meets the conditions outlined above.

Questions

For questions regarding MPN issues, contact TG's Customer Support Group at (800) 252-9743, ext. 4444 or refer to NCHHELP's MPN Q&As in the "Schools & Lenders" section of *TGWorks Online* at www.tgslc.org. ★

HEAL Interest Rate Update

The maximum interest rate for the portion of a Consolidation loan that is attributable to a loan made under the Health Education Assistance Loan (HEAL) program for the period July 1, 2000, through June 30, 2001 is 8.94 percent. The interest rate is equal to the average of the bond equivalent rate of the 91-day Treasury bill auctioned at the final auction held during the quarter ending June 30, 2000, plus 3.0 percent.*

* This sentence has been revised in the HTML and PDF versions of this issue of *Shoptalk*. For an explanation of the edit, see the August 2000 *Shoptalk*. ★

^o This sentence has been revised in the HTML and PDF versions of this issue of *Shoptalk*. For an explanation of the edit, see the August 2000 *Shoptalk*.

PRODUCT SUPPORT FORUM

TG SCHEDULES IMPLEMENTATION OF ADVANTG™ 3.0 AND COMMONLINE 4 CHANGE TRANSACTION PROCESSING

To help you prepare for software and processing changes, Texas Guaranteed Student Loan Corporation (TG) is announcing some short-term and long-term scheduling plans.

During September and October 2000, TG will conduct AdvanTG™ 3.0 regional training for schools and lenders who are ready to replace the Disbursement Change and School Refund System (DCSR) with CommonLine 4 Change transaction processing. AdvanTG 3.0 is scheduled for rollout in October and November 2000.

System Requirements

To prepare for the latest version, TG suggests that you evaluate your computer systems to make certain that they meet the

basic requirements. You will need the following hardware and software to run AdvanTG 3.0:

Hardware Requirements

- A Pentium PC with at least 166 MHz and 64MB RAM.
- A VGA, or better, monitor.
- At least 50 MB of free hard disc storage.
- A CD ROM disc drive.
- A 14.4 kilobytes per second, or faster, Hayes compatible modem for SMT/POP3 Internet access.
- An HP Laser Jet compatible printer.

Software Requirements

- Microsoft Windows 95, 98, or Windows NT 3.51 or higher.

Testing for Windows 2000 support will be ongoing during this summer.

In the spring of 2001, TG plans to drop support for DCSR processes and move remaining customers to AdvanTG 3.0. During that same time period, TG will also implement Phase I of the AdvanTG Web project. Phase II of the project is scheduled for the fall of 2001.

Questions

For questions about AdvanTG 3.0 and system requirements, AdvanTG Web, or CommonLine 4, contact TG's Customer Services Group at (800) 252-9743, ext. 4444. ★

MONEY MATTERS

The average of the bond equivalent rates of 91-day Treasury Bills auctioned during the quarter ending June 30, 2000 is 5.94%.

The average of the bond equivalent rates of the quotes of the three-month commercial paper (financial) rates in effect for each of the days in the quarter ending June 30, 2000 is 6.66%.

SPECIAL ALLOWANCE RATES

Eligible Loans	Applicable Interest Rate (%)	Annual Special Allowance Rate	Special Allowance for Quarter Ending 6/30/00
Loans made prior to 10/1/81	7	.025	.00625
	9	.005	.00125
Tax exempt loans made on or after 10/1/80, but prior to 10/1/81	7	.025	.00625
	9	.005	.00125
Loans made on or after 10/1/81, but prior to 11/16/86	7	.0244	.0061
	8	.0144	.0036
	9	.0044	.0011
Tax exempt loans made on or after 10/1/81	6	.035	.00875
	6.32 (Var.)	.0318	.00795
	6.92	.0258	.00645
	7	.025	.00625
	7.12 (Var.)	.0238	.00595
	7.72 (Var.)	.0178	.00445
	7.87 (Var.)	.0163	.004075
	7.98 (Var.)	.0152	.0038
	8	.015	.00375
	9	.005	.00125
Subsidized Stafford loans made on or after 10/17/86, but prior to 10/1/92, and unsubsidized Stafford loans made prior to 10/1/92, for periods of enrollment beginning on or after 10/1/92, and Consolidation loans made on or after 11/16/86, but prior to 10/1/92	7	.0219	.005475
	7.72 (Var.)	.0147	.003675
	7.87 (Var.)	.0132	.0033
	8	.0119	.002975
	9	.0019	.000475
Subsidized and unsubsidized Stafford and Consolidation loans made on or after 10/1/92	6	.0304	.0076
	7	.0204	.0051
	7.72 (Var.)	.0132	.0033
	8	.0104	.0026
	9	.0004	.0001
Subsidized Stafford loans and unsubsidized Stafford loans made on or after 7/1/95, but prior to 7/1/98, only during the in-school, grace, and deferment periods.	7.12 (Var.)	.0132	.0033
Subsidized Stafford loans and unsubsidized Stafford loans made on or after 7/1/98, but prior to 1/1/00, only during the in-school, grace, and deferment periods.	6.32 (Var.)	.0182	.00455
Subsidized Stafford loans and unsubsidized Stafford loans made on or after 7/1/98, but prior to 1/1/00, except during the in-school, grace, and deferment periods.	6.92 (Var.)	.0182	.00455
Subsidized Stafford loans and unsubsidized Stafford loans made on or after 1/1/00, but prior to 7/1/03, only during the in-school, grace, and deferment periods.	6.32 (Var.)	.0208	.0052
Subsidized Stafford loans and unsubsidized Stafford loans made on or after 1/1/00, but prior to 7/1/03, except during the in-school, grace, and deferment periods.	6.92 (Var.)	.0208	.0052

Return Service Requested

TG Continues Guarantee Fee Waiver

In June, Texas Guaranteed Student Loan Corporation (TG) announced that it will continue to waive the guarantee fee for all TG borrowers until further notice. Since the fee waiver was established, TG borrowers have enjoyed lower costs when borrowing through the Federal Family Education Loan Program (FFELP). The cost to FFELP borrowers has been reduced by over \$13 million.

The cost to FFELP borrowers has been reduced by over \$13 million.

TG remains committed to providing its customers cost effective and efficient means for funding higher education.

TG will continue to review the feasibility of maintaining the guarantee fee waiver. TG began waiving the 1 percent guarantee fee on July 19, 1999.

Questions

For questions regarding TG's fee waiver, contact Vickie Tanner, TG Customer Services at (800) 252-9743, ext. 4526, or send an e-mail message to vickie.tanner@tgslc.org. ★

SHOP TALK

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Shoptalk is published by Texas Guaranteed Student Loan Corporation (TG). Unless specifically noted, the policies and procedures outlined in *Shoptalk* apply only to loans made under TG's guarantee and not to loans underwritten by other guarantors.

To ask questions about the articles in *Shoptalk*, subscribe or order additional copies, please contact Communications at (800) 252-9743, ext. 2878 or communications@tgslc.org

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Edited and designed by TG Communications.

Online copies of *Shoptalk* are available at www.tgslc.org.