

## ADDENDUM TO LENDER AGREEMENT FOR LENDER OF LAST RESORT

**WHEREAS**, the undersigned lender (“**LENDER**”) and the Illinois Student Assistance Commission (“**ISAC**”) have entered into a Lender Agreement, the provisions of which govern the making and guaranteeing of loans and the extension of financial credit to eligible students under the Higher Education Act of 1965, as amended (hereinafter the "Act"); and

**WHEREAS**, the LENDER is willing to serve as a Lender-of-Last Resort (“**LLR**”), as defined in Section 428 (j) of the Act. In such capacity, LENDER shall make loans to certain eligible borrowers whom ISAC refers to LENDER in accordance with referral procedures established by ISAC, which are in conformity with the Act.

**NOW, THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, ISAC and LENDER agree as follows:

1. LENDER agrees to serve as an LLR and to make ISAC-guaranteed loans under the Federal Family Education Loan (FFEL) Program to certain eligible borrowers under the following terms and conditions:

- a) LENDER shall make the following types of loans (check all that apply):
  - Federal Stafford Loans (subsidized and unsubsidized)
  - Federal PLUS Loans
  
- b) Check here if LENDER agrees to make LLR Loans only:
  - LLR Loans Only

If LENDER will only be making LLR loans pursuant to the Lender Agreement and this Addendum, LENDER shall provide to ISAC a detailed written statement explaining the reasons LENDER is unwilling to make conventional FFEL loans, in general or in specific cases, but is willing to make LLR loans. Said detailed explanation shall be incorporated into this Addendum as Exhibit A.

c) LENDER shall make the loans to eligible borrowers within sixty (60) days after the borrower submits a completed application to ISAC for an LLR loan or within allowable disbursement time frames.

d) LENDER shall make said LLR loans to borrowers who are attending eligible educational institutions located in Illinois or are residents of Illinois attending ISAC-approved educational institutions. For a parent PLUS loan, the parents must be Illinois residents and the parents of students attending ISAC-approved educational institutions or the parents of students attending educational institutions located in Illinois and approved by ISAC.

e) Said LLR loans shall be in an amount not less than \$200 nor an amount which exceeds the financial need of the borrower, as determined under Part F of Title IV of the Act.

f) Lenders shall make LLR loans to borrowers who are otherwise unable to obtain a loan for the same period of enrollment from another ISAC-approved lender participating in the loan programs(s) identified in (a) above.

2. This LLR Addendum shall be effective immediately upon execution by ISAC and shall expire upon the expiration of the related Lender Agreement by and between the Lender and ISAC.

3. The terms used in this Addendum shall have the same meaning as the terms set forth in the related Lender Agreement.

4. The terms and provisions of the Lender Agreement are incorporated herein as if made in this Addendum. Solely with respect to LLR loans, if there is a conflict between the terms of the Lender Agreement and this Addendum, the terms of this Addendum would govern.

5. If either party decides to terminate this LLR Addendum the terminating party must notify the other of such intent at least sixty (60) days prior to the effective date of termination. Further, in the case of a termination, LENDER must fully disburse any loan first disbursed prior to the effective date of termination.

6. This Addendum may be executed in in several counterparts by ISAC and the LENDER, each of which shall be an original and each of which shall constitute but one and the same instrument.

7. Notices required under this agreement shall be in writing. All such notices and other items required to be delivered to each of ISAC and Lender at the address set forth on the signature page hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed by their respective officers duly authorized as of the day and year written below.

<b>LENDER</b>	<b>ILLINOIS STUDENT ASSISTANCE COMMISSION</b>
<p>By: _____  Name: _____  Title: _____  Date: _____</p> <p>Lender ID: _____</p> <p>Contact Information:  _____  _____  _____  _____</p> <p>(Include address, fax, phone and contact person)</p>	<p>By: _____  Name: _____  Title: _____  Date: _____</p> <p>Contact Information:  Illinois Student Assistance Commission  1755 Lake Cook Road  Deerfield, Illinois 60015-5209  (847) 948-8500 (ph)  (847) 831-8549 (fax)  Attention: Lender Services</p>

Exhibit A

Explanation of LLR Only Lender Participation