



FOR IMMEDIATE RELEASE

ED transitions TSAC student loan guaranty portfolio to ECMC

OAKDALE, Minn., Mar. 1, 2016 — The U.S. Department of Education (ED) has selected Educational Credit Management Corporation (ECMC) to assume the guaranty portfolio and associated guarantor responsibilities for the state of Tennessee.

In September 2015, the board of directors of the Tennessee Student Assistance Corporation (TSAC) voted to transition its loan portfolio to another servicer. TSAC's loan portfolio has steadily declined following federal legislation in July 2010 ending the Federal Family Education Loan Program (FFELP). This decline, along with the unpredictability of program changes at the federal level, led the board to determine a transition was in the best long-term interest of its borrowers and schools. TSAC was pleased with the selection of ECMC by the U.S. Department of Education because of the shared commitment to give highest priority to borrowers' needs during the transition.

"ECMC is working with TSAC to develop a transition plan to ensure all FFELP participants will have full and uninterrupted access to ECMC's FFELP services," said Dave Hawn, ECMC Group's president and chief executive officer. "I am confident our team will make this transition smooth for all parties involved."

ECMC will assume TSAC's portfolio on July 1, 2016.

Established in 1994, ECMC is one of the largest guarantors for the federal student loan program in the country. Since 1996, ECMC has acquired the guaranty agency portfolios for Virginia, Oregon, Connecticut and California. In November 2015, ECMC became the designated third-party servicer for College Assist's FFELP portfolio.

About TSAC

TSAC was established as a public, non-profit corporation in 1974, to serve as Tennessee's designated federal loan guarantor. Loan guarantees reached a high of over \$5 billion prior to the end of FFELP in 2010. Following the transition away from FFELP, TSAC will continue to administer more than \$400 million in state scholarships and grants annually; educate students and parents on access to financial aid; monitor program compliance among Tennessee postsecondary schools; and provide financial aid consulting for postsecondary schools.

About ECMC

Educational Credit Management Corporation (ECMC) is a nonprofit corporation with a mission to help students succeed. ECMC works to lower student loan default rates; sponsors college access and success initiatives and financial literacy programs; and provides resources to support student loan borrowers in successfully repaying their loans.

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