

From: Arthur, Jeff
Sent: Thursday, July 15, 2010 11:00 AM
To: Redacted by HELP Committee
Cc:
Subject: RE: FY09 rates

So I think we are good using 4900 for our denominator.

From: Redacted by HELP Committee
Sent: Wednesday, July 14, 2010 2:03 PM
To: Arthur, Jeff
Cc: Redacted by HELP Committee
Subject: RE: FY09 rates

Yes, looking at 010198 NSLDS, Org, Repayment Information:

The following information reflects the current repayment status of certain borrowers in FFEL and Direct loan programs who attended a school during a specific period. This information has no relationship to the calculation of draft or official cohort default rates for a school and will not be used in that process. This data is provided solely for informational purposes and may not be used in any administrative procedure. The information reported is based on information provided by the Guaranty Agency that guaranteed the loan or by the Direct loan Servicer.

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	Numerator Date Range	Denominator Date Range	FFEL Num	FFEL Denom	%	DL Num	DL Denom	%	Dual Num	Dual Denom	%	Date Processed
1	06/2008-05/2010	06/2008-05/2009	448	4878	9.1	0	0	0.0	0	0	0.0	07/01/2010
2	05/2008-04/2010	05/2008-04/2009	466	4920	9.4	0	0	0.0	0	0	0.0	06/01/2010
3	04/2008-03/2010	04/2008-03/2009	508	4978	10.2	0	0	0.0	0	0	0.0	05/01/2010
4	03/2008-02/2010	03/2008-02/2009	524	4924	10.6	0	0	0.0	0	0	0.0	04/01/2010
5	02/2008-01/2010	02/2008-01/2009	508	4703	10.8	0	0	0.0	0	0	0.0	02/28/2010
6	01/2008-12/2009	01/2008-12/2008	505	4770	10.5	0	0	0.0	0	0	0.0	01/31/2010
7	12/2007-11/2009	12/2007-11/2008	485	4712	10.2	0	0	0.0	0	0	0.0	01/01/2010
8	11/2007-10/2009	11/2007-10/2008	467	4626	10.0	0	0	0.0	0	0	0.0	12/01/2009

As of now we're NOT actively working 2009 'not critical' to 2 yr cohort range. Many 'not critical' are repeat delinquent borrowers previously in frb/dfr. When we are actively working in the new LDM database we will have more manpower time to actively work those accounts. If we can reach the repeat delinquent borrowers to 'again' postpone payments the percentage of defaulters in 3rd yr will taper off as you said. Are those borrowers inclined to begin making payments, many will not due to economy, unemployment, and other circumstances. Thus, the volume of defaulters in 3rd year may be higher.

Reda and I talked briefly about estimate of late stage delinquencies cured through frb/dfr and some by consolidation. I agree with Red its possibly 90%, definitely a high percentage.

7/15/2010

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