

PREFERRED LENDER LISTS

Disclosure Requirement: Made available to students and families in print or other medium
HEOA Sec. 493(a)(1), HEOA Sec. 493(c), and HEOA Sec. 493(d) amended HEA Sec. 487 (20
U.S.C. 1094):

added HEA Sec. 487(a)(27)

added HEA Sec. 487(h)

new HEA Sec. 487(i)

HEOA amendments effective August 14, 2008

October 28, 2009 FR notice (added 34 CFR 601.2, 34 CFR 601.10, 34 CFR 668.14(b)(28))

Each institution must annually make available in print or other medium to students attending the institution and their families a list of the specific lenders for private education loans or for Title IV, HEA loans that the institution recommends, promotes, or endorses in accordance with a preferred lender arrangement.

The list must prominently disclose the method and criteria used by the institution in selecting lenders for preferred lender arrangements to ensure that such lenders are selected on the basis of the best interests of the borrower. The list must also clearly and fully disclose:

- the minimum information determined by the Department of Education (HEA Sec. 153(a)) (see "Preferred Lender Arrangements");
- why the institution participates in a preferred lender arrangement with each lender, particularly with respect to terms and conditions or provisions favorable to the borrower; and
- that the students or their families do not have to borrow from a lender on the list.

The list must have at least three FFELP lenders who are not affiliates of each other. If the list includes private loans, there must be at least two lenders who are not affiliates. The list must indicate for each lender whether it is or is not an affiliate of the other lenders on the list. The details of each affiliation are to be disclosed. The Department of Education is required to provide to institutions a list of the lender affiliates of all eligible lenders.

Texas A&M International University does not have any preferred lender arrangements nor does it maintain a preferred lender lists.