



Sonny Perdue
GOVERNOR



Georgia Student Finance Commission
Georgia Student Finance Authority
Georgia Higher Education Assistance Corporation
GAcollege411

Timothy A. Connell
PRESIDENT

February 26, 2010

RE: Georgia Student Finance Authority Federal Family Education Loan Program
Suspension

Dear Colleagues:

I am writing to inform you that effective March 15, 2010 the Georgia Student Finance Authority is suspending all lending activity under the Federal Family Education Loan Program (FFELP). All existing loans guaranteed before March 15th will be honored and disbursed on schedule.

As you can surmise, this was not an easy decision to arrive at but one that has been necessitated by prevailing business realities. As Georgia's only state based nonprofit lender, we are proud of our 45 years of helping students pursue their education dreams through financing provided by us. We are also very proud of the working relationships that we have forged with the student financial aid community and with the institutions that you represent. We certainly recognize the many difficult challenges that you face in continuing to address the needs of your students in this rapidly changing environment.

Although our FFELP lending activities will suspend, we will continue to service FFELP loans and the Georgia Higher Education Assistance Corporation (GHEAC) will continue its role as a guaranty agency. We will also continue our good work to prevent loan defaults, administer GAcollege411, provide training, visit hundreds of schools every year and conduct thousands of presentations on the benefits of higher education. Our call center will continue to answer hundreds of thousands of calls and we will continue to seek ways to serve the students of Georgia. Our Mission is to promote and increase access to education beyond high school for Georgians and that remains unaffected by this decision.

Thank you again for your friendship, support and for our common goal of a better educated Georgia.

Sincerely,

Timothy A. Connell
TAC:mlc