

## Questions and Answers

### NOTICE OF SALE AND REQUEST FOR BIDS IOWA COLLEGE STUDENT AID COMMISSION

#### Sale of Defaulted Private Partnership Loan Program Student Loans NOS NO. 2015-001

**Q:** Will AWG (Administrative Wage Garnishment) still be allowed once the loans have been purchased?

**A:** We have been asked whether the purchaser of the PLP loans will be able to use administrative wage garnishment as a collection tool. Iowa College Aid has express statutory authority to use administrative wage garnishments under Iowa Code section 8A.504; however, non-governmental generally cannot use administrative wage garnishments under this provision. That said, each purchaser should make its own independent review of Iowa law to determine whether it could use administrative wage garnishments. We are not familiar with federal law regarding administrative wage garnishments.

**Q:** It is customary to allow the purchaser a redacted sample of the portfolio to analyze collectability and liquidation. Will ICSAC be providing a sample of the portfolio?

**A:** Please contact Brenda Edwards at [Brenda.Edwards@iowa.gov](mailto:Brenda.Edwards@iowa.gov) to request a sample.

**Q:** Can Iowa College Aid provide a portfolio sample?

**A:** Yes, please contact Brenda Edwards to obtain a portfolio sample.

**Q:** What is Iowa's Fiscal Year?

**A:** July 1 – June 30

**Q:** Can you also provide the monthly Payment Breakdown you provided for September on page 31 for the past 12 months.

**A:** Yes, please contact Brenda Edwards to get a copy of the breakdown.

**Q:** We also have a question about the physical promissory notes establishing the debt. Do they come in an electronic version as well? Will Iowa College Aid warrant they are true and correct?

**A:** No, the promissory notes will not be provided in an electronic format. We will assign them as true and correct.

**Q:** We also would like to know if you will be furnishing complete and accurate information on all payments made both pre and post default. Will Iowa College Aid warrant that the balance assigned is true and correct?

**A:** Pre-default payment history is not available as the loans were assigned to Iowa College Aid in default status. Post-default payment history will be provided. The promissory notes will be assigned as true and

correct. Iowa College Aid is making no representations about the loans and loans will be transferred to the Purchaser "as is".

**Q:** Is Iowa College Aid willing to amend Attachment 3, Sales Contract, 10. Indemnification? In order to indemnify the purchaser in the event a Promissory Note is not true and accurate, or the balance is not true and accurate.

**A:** Iowa College Aid will consider amending the indemnification provision found in paragraph 10 as it relates to the promissory notes being true and correct. It will not consider amending the indemnification provision that the balance is true and correct. Iowa College Aid will not indemnify the purchaser for any other representations because the PLP will be assigned "as is". If a Purchaser wants to amend any provision of the proposed contract, it must include the proposed language in its response to the NOS.