

FOR IMMEDIATE RELEASE:

Thursday, June 28, 2007

CONTACT:Carolynn Bright
Media Relations Coordinator
(406 495-7506

MHESAC and SAF Adopt Business Conduct Code of Ethics

(HELENA) Board members for Montana not-for-profit companies Student Assistance Foundation (SAF) and Montana Higher Education Student Assistance Corporation (MHESAC) approved Business Conduct Code of Ethics at their quarterly meetings in June.

MHESAC is the primary provider of capital in Montana for student loans made under the Federal Family Loan Education Program (FFELP) and SAF manages MHESAC's day-to-day operations.

The three-page documents cover numerous areas including customer service integrity, preferred lender list guidelines, gift and trip prohibition and more.

“In truth, MHESAC and SAF have always adhered to the highest ethical standards in the manner in which they conduct business,” said Jim Stipcich, chief executive officer of SAF. “However, given the current political climate within the student loan industry, we decided to emphasize our commitment to the students and families we serve by formalizing those standards in these documents.”

Stipcich acknowledges the unrest created by the findings of New York State Attorney General Andrew Cuomo's investigation into questionable business practices by some companies within the student loan industry, particularly in the areas of private loans. MHESAC provides only FFELP loans, not private loans to Montanans.

Stipcich is proud to say that MHESAC and SAF are not-for-profit entities that conduct their business in a professional manner while remaining true to their Internal Revenue Service-approved mission of supporting education and helping students attain their dreams of postsecondary education.

“We're proud of the professional relationships we have formed with Montana students, schools, lenders and financial aid administrators in the 24 years we have been in business,” said Stipcich. “Those key partnerships are grounded in our common goal — the success of students — not frivolous meeting locations or other forms of compensation.”

According to Stipcich, MHESAC will continue to demonstrate its commitment to Montanans by ensuring access to federal student loans and guaranteeing borrower satisfaction through principal and interest rate reductions along with other benefits.

Additionally, SAF will continue to strive to accomplish its mission of providing Montana students and families with the tools and knowledge to pursue higher education through campus outreach efforts, the distribution of scholarships and grants, and coordination of special programs like Montana College Goal Sunday.

Student Assistance Foundation is a 501(c)(3) nonprofit Montana corporation that provides Montana students with knowledge and tools to finance and pursue their postsecondary education. Funds generated by SAF are returned to Montanans in the form of education grants and education finance related public benefit programs - to date more than \$10 million. For more information, visit www.safmt.org.

Montana Higher Education Student Assistance Corporation is a 501(c)(3) nonprofit corporation organized under Section 150(d) of the U.S. Tax Code. MHESAC is dedicated to ensuring access to student loans and lowering the cost of financing postsecondary education by providing: (1) capital in the Federal Family Education Loan Program (FFELP) student loan secondary market; (2) FFELP loan origination and; (3) borrower rebate programs. Since 1983 MHESAC has provided more than \$1.3 billion in Montana student loan capital, enabling more than 160,000 Montanans to pursue postsecondary education, and provided more than \$28 million to borrowers to lower the cost of financing their education. For more information, visit www.mhesac.org.