

MOHELA Settles Attorney General Sunshine Lawsuit

St. Louis, MO (December 28, 2006) – The Higher Education Loan Authority of the State of Missouri (MOHELA) today announced that a settlement has been reached with the Attorney General’s Office, settling the lawsuit filed against MOHELA by the Attorney General earlier this year.

The litigation was resolved pursuant to the execution of an Assurance Of Voluntary Compliance by MOHELA, the Attorney General and the other defendants. The Assurance provides that it is being entered into in order to avoid continued litigation and the costs thereof and to amicably resolve the litigation. The Assurance provides that, while MOHELA agrees that various procedures and communications relating to its Board meeting in January 2006 constituted violations of the Sunshine Law, MOHELA and the other defendants deny that they knowingly, purposefully or willfully violated the Sunshine Law. The Assurance further documents MOHELA’s voluntary agreement that it will comply with the Sunshine Law in the future and that it will take certain steps designed to assure compliance.

“The amicable settlement allows MOHELA to refocus its resources on providing lower cost loans to Missourian’s pursuing higher education” noted Raymond H. Bayer, Jr., MOHELA’s Executive Director and CEO. Bayer further noted that “MOHELA’s seven member governing board has directed management to continue to make every effort possible to meet the requirements and spirit of Missouri’s open records law”.

MOHELA is one of the largest student loan companies participating in the nonprofit secondary market sector in America and is a leading holder and servicer of student loans with more than \$5.9 billion in assets and loan purchase activity in excess of \$1.5 billion per year. MOHELA advances its benevolent mission of eliminating barriers for students so they can access higher education through local, regional and national partnerships with a variety of educational and national partnerships with a variety of educational and financial institutions.