**Section 2720.41 One-Lender Requirement**

a) All of a borrower's outstanding ISAC-guaranteed loans must be made by the same lender, subject to the conditions of this subsection (a). ISAC will issue a loan guarantee to a commercial lender provided that lender agrees to make all types of Federal Family Education Loan Program (FFELP) Loans to the borrower that the borrower requests and is eligible to receive, and:

1) the loan is the borrower's first ISAC-guaranteed loan;

2) the loan is a subsequent loan and the commercial lender has issued all of the borrower's previous ISAC-guaranteed loans; or

3) the loan is a subsequent loan and the commercial lender holds or has purchased all outstanding ISAC-guaranteed loans for that borrower from previous commercial lenders, in accordance with Section 2720.42.

b) The requirements of this Section shall not apply if:

1) the outstanding loans are held by a lender that has been declared insolvent by a regulatory agency, has terminated its agreement with ISAC or has withdrawn from participation in FFELP;

2) ISAC is informed by the borrower, the institution or its agent that the borrower has provided authorization to have subsequent loans issued by a different lender;

3) the borrower is requesting a subsequent loan and the lender has made a previous ISAC-guaranteed loan to that borrower for that loan program with a guarantee date prior to July 1, 1993; or

4) the borrower's outstanding loans were made in accordance with Section 2720.40(c), by a lender-of-last-resort.

(Source: Amended at 38 Ill. Reg. 13374, effective July 1, 2014)