**Section 2720.90 Guarantee Transfers**

a) ISAC may transfer loan guarantees to or from another guarantor, as specified in Section 428(b)(2)(E) of the Higher Education Act of 1965 (HEA), as amended (20 USCA 1078(b)), provided:

1) the loan guarantees are insured (see Section 428(b) of the HEA);

2) an agreement has been entered into between ISAC and:

A) the other guaranty agency;

B) an agent of the guaranty agency, who has been approved by the U.S. Secretary of Education; or

C) the U.S. Secretary of Education or an agent thereof;

3) the transfer has been approved by the holder of the loan.

b) Notwithstanding any provision of Section 2720.42, regarding all loans being held by one holder, a loan guarantee may be transferred to ISAC from another guaranty agency.

(Source: Amended at 21 Ill. Reg. 11038, effective July 18, 1997)