**Section 2720.120 IDAPP Eligible Loans**

a) Loans that are eligible for purchase and/or servicing by IDAPP:

1) are not in default. Loans that are in default should be submitted for reimbursement in accordance with Section 2720.70.

2) are in compliance with federal regulations and ISAC rules up to the date of the sale. ISAC will decline to purchase any account if the lender cannot demonstrate the loan was originated and serviced in accordance with all program requirements.

3) have not been rejected for purchase by a different secondary market unless the account is current (not in delinquency status) and has an outstanding balance of at least $3,500.

b) Upon the sale or transfer of an account to ISAC, the lender shall report the transfer of ownership or servicing responsibility to the credit reporting agency utilized by the lender. The lender shall not put an adverse report on the borrower's credit rating.

c) ISAC may also purchase eligible loans as defined in Section 135 of the Higher Education Student Assistance Act [110 ILCS 947/135].

(Source: Amended at 24 Ill. Reg. 9101, effective July 1, 2000)