



Lender Agreement To Indemnify For Altered or Lost Notes

THIS AGREEMENT is entered into between United Student Aid Funds, Inc. ("USA Funds"), and _____ ("Lender") this _____ day of _____, 20____. Acceptance of the terms of this Agreement shall be by signature in the space below and such signature shall make this Agreement effective and binding. It is therefore agreed:

1. The Promissory/Payment Notes ("Notes") attached or set out in the attached Affidavit are the subject of this Agreement.
2. If the Notes, which are presently considered lost or destroyed, are located, the Notes will be immediately forwarded to USA Funds with a letter which references this Agreement.
3. In the event the U.S. Department of Education or USA Funds determines that any or all of the Notes of a Borrower are not reinsured or guaranteed because of insufficient documentation or alteration of the documentation; or a Borrower challenges, in court, collection on the Notes and USA Funds determines, in its sole discretion, that there is insufficient documentation to enforce the Notes, the Lender will indemnify USA Funds for the amount of the claim of the Notes plus any costs incurred subsequent to the claim purchase. In addition, as a consequence of any Notes being deemed unenforceable as a result of lost or altered Notes, the Lender will repay any interest benefits or Special Allowances it had received on the Notes. The Lender expressly agrees to indemnify and hold harmless USA Funds from any loss, damage, or expenses, including attorney's fees, arising from Lender's inability to produce the Notes.
4. This Agreement shall be governed by Indiana law.
5. Any provision of this Agreement held to be unenforceable shall not affect the enforceability of any other provision.
6. This Agreement cannot be varied except by a written agreement signed by both parties.
7. This Agreement shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto.

ED Number	Lending Institution
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Authorized Signature

Printed Name	Title
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Lender Affidavit

I, the undersigned, being duly sworn on oath and, under penalty of perjury, am an authorized officer, representative, or agent of the lending institution named below, and in connection with certain Promissory/ Repayment Note(s) as set out below, the following statements are true and correct to the best of my knowledge:

1. The Promissory Note(s) listed in Item 2 have been inadvertently lost or destroyed. The circumstances of the loss or destruction are:

2. The Promissory Note(s) which have been inadvertently lost or destroyed are for:

_____ whose social security number is _____
 (Name of Borrower)

The general terms of said Promissory Note(s) are as follows:

Disbursement Date(s)	Original Loan Amount	Interest Rate

3. A diligent search has failed to locate said Promissory Note(s).
4. Each of said Promissory Note(s) was executed upon a promissory note form authorized by and provided for that purpose by the U.S. Department of Education.
5. The lending institution named below is the holder of said Promissory Note(s).
6. Each Promissory Note has been guaranteed by United Student Aid Funds, Inc.
7. All of the conditions of the current Agreement to Guarantee Loans made by and between the lending institution named below and United Student Aid Funds, Inc. have otherwise been met.
8. The existence and terms of any of the original Promissory Note(s) have not at any time been contested by the Borrower.

ED Lender Code	Lending Institution
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Authorized Signature _____

Printed Name _____

Witness Signature _____

Printed Name	Date
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