

"INSTITUTION" WITHIN THE MEANING OF THIS ACT, WHETHER AN INSTITUTION IS LOCATED WITHIN THE WASHINGTON, D.C. METROPOLITAN AREA, WHETHER AN INSTITUTION OR GROUP OF INSTITUTIONS HAS OR REASONABLY CAN BE EXPECTED TO HAVE, IF APPROVED FOR PARTICIPATION IN A PROGRAM OF THE AUTHORITY, A SUBSTANTIAL NUMBER OF RESIDENTS OF THE COUNTY AS FULL-TIME STUDENTS, AND THOSE ELIGIBILITY STANDARDS FOR BORROWERS THAT THE AUTHORITY DETERMINES MAY BE NECESSARY OR DESIRABLE TO EFFECTUATE THE PURPOSES OF THIS SUBTITLE AND WHICH SHALL INCLUDE PROVISIONS THAT EACH STUDENT HAVE A CERTIFICATE OF ADMISSION OR ENROLLMENT AT A PARTICIPATING INSTITUTION, THAT EACH STUDENT BE A RESIDENT OF PRINCE GEORGE'S COUNTY, THAT EACH BORROWER SATISFY THE FINANCIAL QUALIFICATIONS THAT THE AUTHORITY ESTABLISHES AND THAT EACH STUDENT AND EACH BORROWER SUBMIT TO THE PARTICIPATING INSTITUTION INFORMATION THAT MAY BE REQUIRED BY THE AUTHORITY. IN ESTABLISHING CRITERIA FOR THE DETERMINATION OF COUNTY RESIDENCY THE AUTHORITY MAY UTILIZE THE CRITERIA ESTABLISHED BY THE UNIVERSITY OF MARYLAND FOR THE DETERMINATION OF RESIDENCY, AS APPLICABLE, OR MAY ESTABLISH SUCH OTHER OR ADDITIONAL CRITERIA AS ARE CONSISTENT WITH LAW.

(D) THE AUTHORITY MAY CONTRACT WITH FINANCIAL INSTITUTIONS AND OTHER ORGANIZATIONS DETERMINED BY THE AUTHORITY TO BE QUALIFIED TO PROVIDE LOAN ORIGINATION AND SERVICING SERVICES TO PROVIDE ASSISTANCE IN PREQUALIFYING BORROWERS FOR EDUCATION LOANS AND FOR SERVICING AND ADMINISTERING EDUCATION LOANS AND ANY LENDING INSTITUTION'S LOAN SERIES PORTFOLIO. ANY EDUCATION LOAN FEE MAY INCLUDE A PORTION TO COVER THE COST OF ANY SERVICING ORGANIZATION'S ASSISTANCE PRORATED ON A BASIS DEEMED FAIR BY THE AUTHORITY.

(E) TO INSURE THE MARKETABILITY OF ITS BONDS AND THE ADEQUACY OF THE SECURITY FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON ITS BONDS, THE AUTHORITY MAY CONSULT WITH THE MARYLAND HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY TO ESTABLISH CRITERIA GOVERNING:

- (1) THE ELIGIBILITY OF ANY INSTITUTION TO PARTICIPATE IN ITS PROGRAM AS A PARTICIPATING INSTITUTION OR LENDING INSTITUTION;
- (2) THE ELIGIBILITY OF ANY INSTITUTION AFFILIATE TO PARTICIPATE IN ITS PROGRAM AS A LENDING INSTITUTION;
- (3) THE ELIGIBILITY OF STUDENTS TO PARTICIPATE IN ITS PROGRAM;
- (4) THE MAKING OF AUTHORITY LOANS AND EDUCATION LOANS;
- (5) PROVISIONS FOR DEFAULT;
- (6) THE ESTABLISHMENT OF DEFAULT RESERVE FUNDS;
- (7) THE PURCHASE OF DEFAULT INSURANCE; AND