

MINNESOTA  
HIGHER EDUCATION  
COORDINATING COMMISSION

MAR 22 1976  
SUITE 400  
CAPITOL SQUARE  
550 CEDAR STREET  
SAINT PAUL 55101

OFFICE OF THE EXECUTIVE DIRECTOR

March 22, 1976

Mr. Byron E. Starns  
Chief Deputy Attorney General  
Office of the Attorney General  
Room 102 Capitol  
St. Paul, Minnesota 55155

Dear Byron:

This is to confirm our recent telephone call requesting an arrangement to utilize the services of special counsel in our dealings with the Student Loan Marketing Association.


An arrangement for Bernard M. Friel of Briggs & Morgan to provide necessary legal advice and assistance on the sale of student loan notes by the Higher Education Coordinating Board to the Student Loan Marketing Association (Sallie Mae) is desirable because of the interdependence of the structuring of bond issues and the nature of the commitment from Sallie Mae.

The Higher Education Coordinating Board plans to advance refund all outstanding bond issues in order to make the provisions of all bond resolutions provide for the sale of student notes obtained by making student loans with bond proceeds to Sallie Mae. Subsequent bond issues will be structured to anticipate the sale of notes from the bond issue to Sallie Mae in accordance with an advance commitment to be obtained from Sallie Mae. The terms of the commitment to be obtained from Sallie Mae and the conditions of the sale are crucial matters in the structuring of subsequent bond issues.

Since Mr. Friel will have to issue an opinion as bond counsel with respect to the commitment from Sallie Mae to purchase student loans and the conditions of such sale, his participation in the negotiation of the advance commitment and the sale will assure that the terms and conditions are such that he can issue a favorable opinion on bond issues.

The standard rate of compensation of \$40 per hour for the proposed arrangement seems appropriate to us. If you should have questions or need additional information, please let me hear from you.

Sincerely,

  
RICHARD C. HAWK  
Executive Director

RCH:jm  
cc: Warren Spannaus

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