

ACS Student Loan Capabilities

Presentation for Panhandle Plains and
Potential Investors

July 2011



A **xerox**  Company

ACS, A Xerox Company



Powerful Brand, Trusted Partner

Established and respected Leader
Serve 50 states and many Fortune 1,000



Global Delivery

160 countries, 500 locations
78 global service delivery centers
136,000 people



Financial Services Expertise

40+ years supporting financial institutions
Top 15 Fortune 500 commercial banks
Six of the top 10 credit card issuers
Largest student loan servicer in the U.S.



Commitment to Innovation

\$880 million spent on RD&E in 2009
9400+ active U.S. patents
4% of revenue dedicated to RD&E

About Us

ACS is part of Xerox's \$22 billion global enterprise with 136,000 employees servicing clients in 160 countries.

Our Mission

Through the world's leading technology and services in business process and document management, we're at the heart of enterprises small to large, giving our clients the freedom to focus on what matters most: their real business.

Our Capabilities

- Global resources
- Risk mitigation
- Business continuity
- Proven solutions
- Industry expertise
- Process re-engineering
- Best practices

Global Delivery — 78 Major Centers Worldwide

Customer Care Centers

- Anderson, AI
- Bakersfield, CA
- Barcelona, Spain
- Bogota, Columbia
- Cary, NC
- Cebu, Philippines
- Cordoba, Argentina
- Dominican Republic
- Guatemala City
- Houston, TX
- Montego Bay, Jamaica
- Krakow, Poland
- Lexington, KY
- Lima, Peru
- Manila, Philippines
- Mexico City
- Portland, OR
- Santiago, Chile

Mega IT Data Centers

- Bangalore, India
- Beaverton, OR
- Blythewood, SC
- Dallas, TX
- Dearborn, MI
- Dusseldorf, Germany
- Eagan, MN
- Hillsboro, OR
- Kuala Lumpur, Malaysia
- Monterrey, Mexico
- Pittsburgh, PA
- Phoenix, AZ
- Tarrytown, NY
- Telford, UK

Finance and Accounting Centers

- Atlanta, GA
- Bangalore, India
- Barcelona, Spain
- Cebu, Philippines
- Fort Meyers, FL
- Juarez, Mexico
- Kochi, India
- Krakow, Poland
- Lodz, Poland
- Manila, Philippines
- Montego Bay, Jamaica
- Salt Lake City, UT
- Sao Paulo, Brazil
- Tempe, AZ

Human Resource Centers

- Cary, NC
- Bangalore & Kochi, India
- Barcelona, Spain
- Krakow, Poland
- Kuala Lumpur, Malaysia
- Little Falls, NJ
- Manila, Philippines
- Montego Bay, Jamaica
- Monterrey, Mexico
- Sao Paulo, Brazil
- Singapore
- Tempe, AZ
- Tianjin, China
- Toronto, Canada

Document Process Centers

- Bucharest, Romania
- Budapest, Hungary
- Dallas, TX
- Dublin, Ireland
- Halifax, Canada
- Hot Springs, AR
- Madrid, Spain
- Milan, Italy
- Mitcheldean, UK
- New York City, NY
- Paris, France
- Sao Paulo, Brazil
- St. John, Canada
- Shanghai, China
- Toledo, OH
- Toronto, Canada
- Warsaw, Poland
- Welwyn, UK

ACS in Higher Education

Highlights

- 43+ years of experience in providing support to student loan borrowers across multiple government and private programs
- Ranked as one of the world's largest student loan servicers - \$207+ billion portfolio
- Clients include lenders, government, and institutions of higher education
- More than 500 higher education clients serving nearly 900 campuses
- Hundreds of financial services clients including 8 of the top 10 largest banks
- Financial aid support for over 450,000 students
- Manage financial aid functions at more than 100 campuses and online
- Rigorous compliance and fraud prevention measures
- Origination, servicing, and default management processes
- Received Fitch Ratings highest possible servicer rating of "Proficient Plus" for both its Federal Family Education Loan Program (FFELP) and private student loan servicing

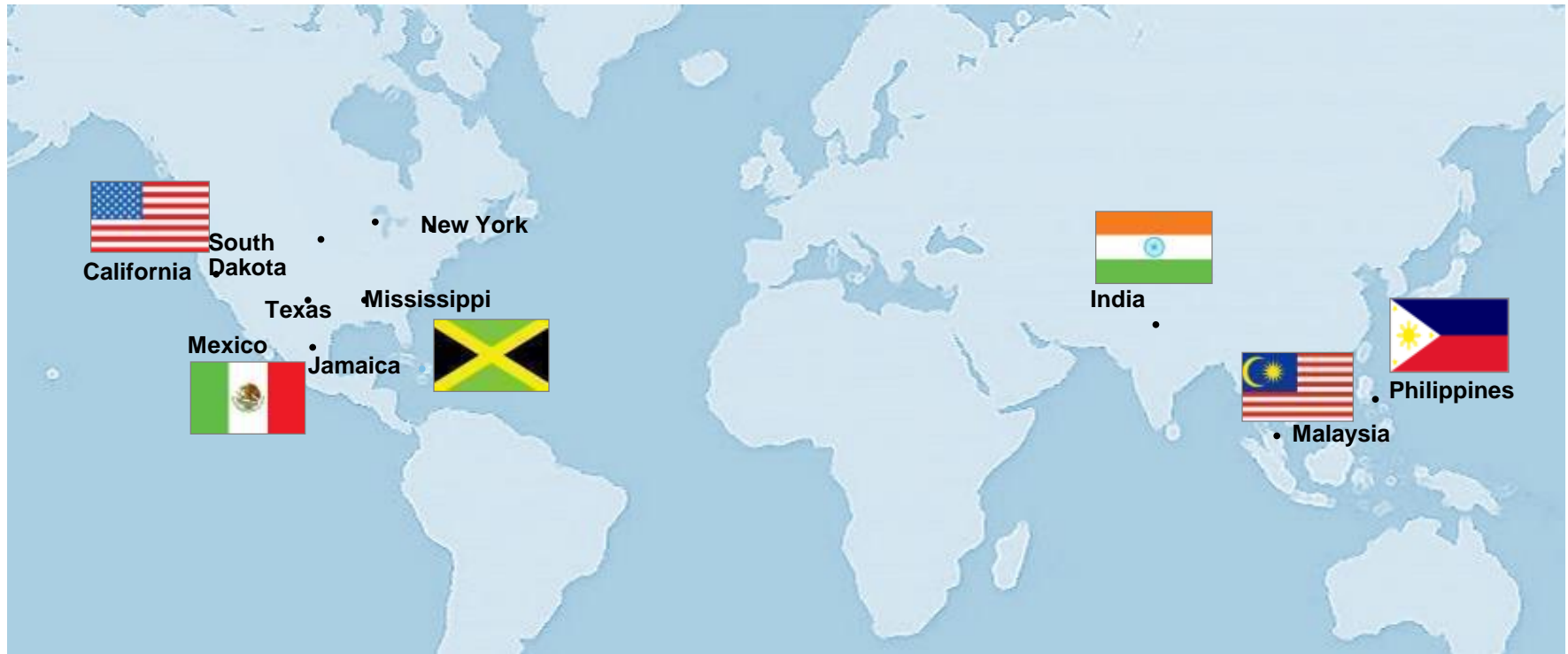
ACS Education Services

Student Lending Services

- Services include Stafford, PLUS, Consolidation, and private/alternative loan origination, and post-origination conversion and loan servicing
- Includes lender and borrower services; payment and transaction processing; due diligence activities as required by federal regulations or private/alternative loan program requirements; and communications with schools, guarantors, the National Student Loan Clearing House, and others
- Regional processing centers in Long Beach and Bakersfield, California; Utica and Niagara Falls, New York; Oakbrook, Illinois; Canyon, Texas; Madison, Mississippi and Aberdeen, South Dakota
- Servicing Department of Education Loans - CSB Contract
- Experienced management – long tenure with ACS and/or student loan industry



ACS Locations Servicing Higher Education



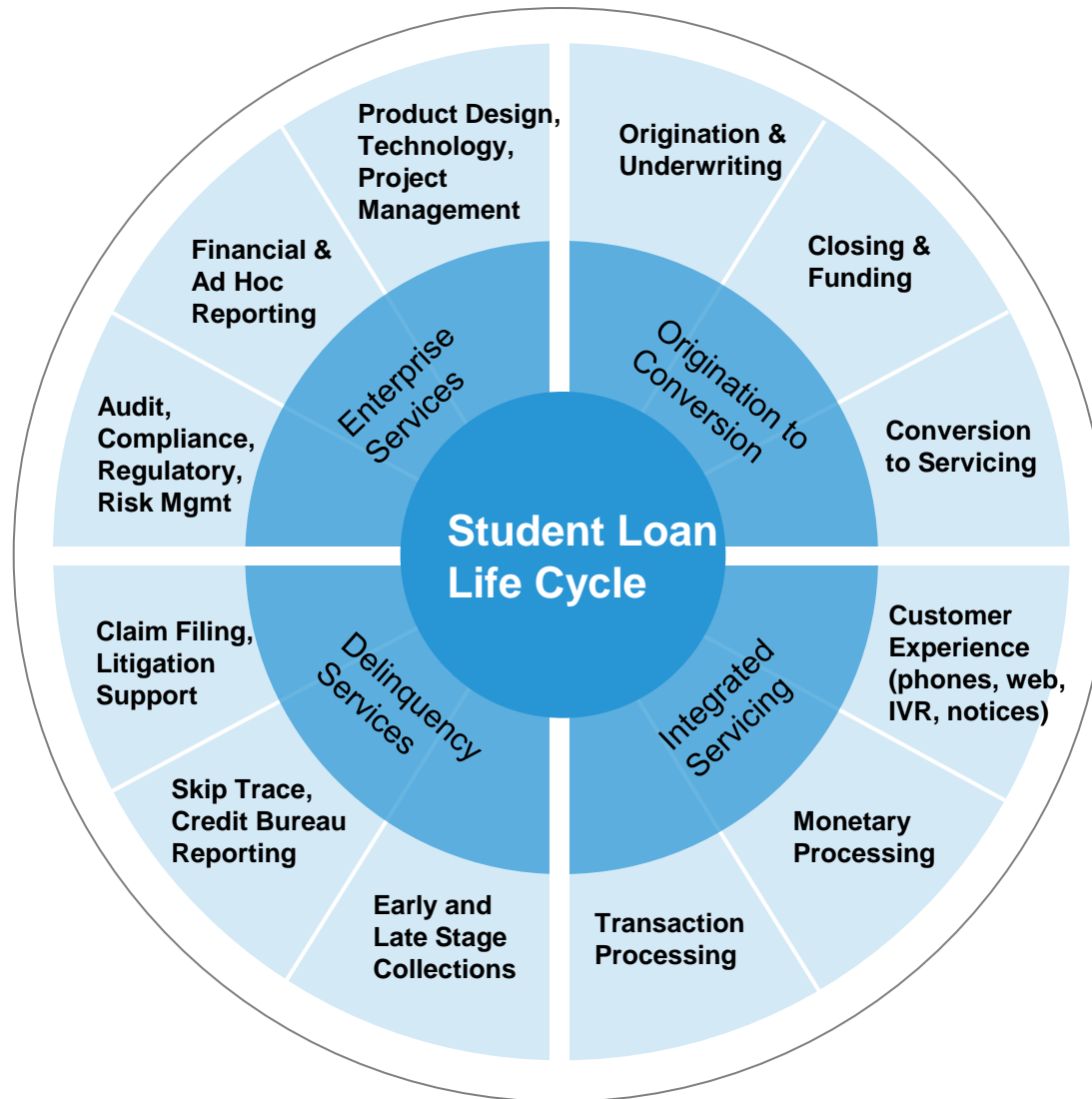
Borrower Services
 Campus Support Services
 Claims Processing
 Client Accounting
 Collections/ Skip Trace
 Compliance
 Conversions

Corporate Administration
 Data Center
 Systems Development
 External Relations
 IT

Documentation

Loan Origination
 Monetary Processing
 Project Management
 Specialized Servicing
 Training
 Transaction Processing
 Underwriting

ACS Student Loan Lifecycle Services



ACS Student Loan Detailed Services

Loan Origination

- Private Student Loans
- Authentication, and fraud mitigation
- Supports virtually all combinations of origination and disbursement processes
- Partner with all major third party disbursing agents
- Advanced web processing capabilities

Loan Conversions

- Private and Government Backed Student Loans
- Transfers loans to ACS servicing system from various external sources and from our loan origination systems
- Electronic and manual processes
- Loan Securitization / Sales / Transfers
- History of large conversions in limited time frame – has converted approximately 700,000 borrower accounts within 60 days

Borrower Services

- Provide borrower services
 - Calls
 - Correspondence
 - E-mail / Web / Paper Mail
- Advanced IVR (interactive voice response unit)
- Web account access, payment, and history
- Resolution Management
- Lender Services
- Manage monthly borrower surveys

Enterprise Solutions: IT, Project Management, Compliance

Detailed Services (continued)

Transaction Processing

- Process loan status enrollment change updates from borrowers, schools, lenders, and other relevant parties
- Interface with Loan Guarantee Agencies
- Account adjustments

Monetary Processing

- Payment Processing
 - Claim / Refunds / Consolidation / Cancellations / Lockbox Exceptions / Return Items
- Administer ACH and ARC
- Support various payment method
 - Web payments / Pay by Phone / Bill Pay
- Client Reconciliation and Fund Transfers
- Government Billing
- Escheatment

Documentation

- Store and retrieve loan asset documents
- Manage imaging system – Workflow / Mail
- Other media including microfilm and microfiche

Delinquency Management

- Borrower counseling
- Autodialer: Targeted / peak-time calling / multiple attempts
- Multiple mail and e-mail campaigns
- Skiptrace
- Credit Bureau Reporting
- Default Claim Filing Activity
 - Non-Payment
 - Death, Disability, Bankruptcy
 - Guarantee Agency Interaction

Enterprise Solutions: IT, Project Management, Compliance

Asset Management Services: The ACS Team

ACS Asset Management Group

- Wholly owned subsidiary of ACS Education Services
- Provides master servicing, servicing administration and administration services for student loans in a variety of financing transactions
- Fulfills roles in both a backup and a primary capacity
- Acts as successor or backup master servicer, servicing administrator or administrator for transactions involving loan portfolios of approximately \$5.1 billion
- Substantial experience managing student loan portfolios

Student Loan Capital Strategies, LLC

- Retained by over 25 for profit and not-for-profit companies
- Services include general advisory work, program development, M & A, capital raising (debt and equity), and portfolio valuation

The ACS Team

Combines the resources, strengths, and experience of ACS Asset Management Group and Student Loan Capital Strategies, LLC

- Separate management reporting structure
- Close contact with rating agencies, underwriters, liquidity banks and bond insurers
- Licenses DBC computer software for cash flow projection
- Directly involved in the structuring, issuance and management of over \$186 billion of student loan transactions
- Retained by over 25 for profit and not-for-profit companies
- Services include general advisory work, program development, M & A, capital raising (debt and equity), and portfolio valuation

STUDENT LOAN CAPITAL STRATEGIES

LLC

Financial Advisory to the Student Loan Industry

Master Servicer and Administrator Services

- Monitoring of sub-servicing agreements
- Oversight of the sub-servicer(s) to ensure that the portfolios are being serviced in conformity with the contracts and the Higher Education Act
- Prepare (or cause to be prepared) the monthly and annual reports required by the master servicing agreement, administration agreement and indenture
- Maintenance of books, record and accounts necessary to prepare financial statements in accordance with GAAP
- Review, approve and submit for payment invoices for indenture related expenses to indenture trustee
- Review and coordinate with indenture trustee proper transfer of funds between trust accounts and payments of principal, interest and expenses of indenture
- Ensure accurate and timely filing of required reporting to guarantors and Department of Education
- Communicating and meeting with Indenture Trustee, Rating Agencies, and Investors to provide updates and status of trust related items
- Put in place processes and procedures to safeguard trust assets

Contact Us

Meta Gonzalez
Managing Director

(O) 310-513-2776

Meta.Gonzalez@acs-inc.com

Leita Garcia
Vice President

(O) 310-513-2966

Leita.Garcia@acs-inc.com

This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties, many of which are outside the Company’s control. As such, no assurance can be given that the actual events and results will not be materially different than the anticipated results described in the forward-looking statements. Factors could cause actual results to differ materially from such forward-looking statements. For a description of these factors, see the Company’s prior filings with the Securities and Exchange Commission, including the most recent Form 10-K. Xerox and Affiliated Computer Services, Inc. (ACS, a Xerox company) disclaim any intention or obligation to revise any forward-looking statements, whether as a result of new information, future event, or otherwise.

ACS Copyright 2011

This presentation may not be reproduced without the expressed written consent of Affiliated Computer Services, Inc. ©2011 Xerox Corporation. ACS® and the ACS design are trademarks of ACS Marketing LP in the US and/or other countries. XEROX® and XEROX and Design® are trademarks of Xerox Corporation in the United States and/or other countries. All logos used in this presentation are the sole property of their respective owners.



A **xerox**  Company