

**NEW MEXICO EDUCATIONAL ASSISTANCE FOUNDATION (NMEAF)
SPECIAL TELEPHONIC BOARD OF DIRECTORS MEETING
NMSL BOARD ROOM
APRIL 28, 2017
ALBUQUERQUE, NEW MEXICO**

PARTICIPATING BY TELEPHONE

Pauline J. Garcia, Chair
Dr. Dan Salzwedel, Vice Chair
Gavin Gillette, Board Member

Present

Julie Filatoff, Board Member Designee
Charles J. Piechota, Board Counsel

OFFICERS AND STAFF

Michael Nemelka, President & CEO
Brad Allpass, Vice President & CFO
Grace Tackman, Assistant VP of HR
Lucas Covington, Assistant VP of IT
Reginald Stormont, General Counsel

ABSENT

Eileen Givler

Chair Pauline J. Garcia called the meeting to order at 1:02 PM.

I. Roll call

The following Board Members participated by telephone: Pauline J. Garcia, Dr. Dan Salzwedel, and Gavin Gillette. Julie Filatoff and Charles Piechota participated in person. A quorum was confirmed.

II. Approval of Agenda

Chair Garcia asked for a motion to approve the agenda. Dr. Dan Salzwedel so moved and Gavin Gillette seconded. The motion carried unanimously.

III. Overview of Opportunity to Purchase Portfolio of FFELP Loans

Michael Nemelka briefly reviewed the summary provided to board members in the meeting information packet. He noted that the deadline to submit a bid was Thursday, June 1st.

IV. Resolution to Approve Submission of Bid to Purchase FFELP Portfolio

Brad Allpass provided a summary of the process by which management derived the purchase price it seeks board approval to submit. He informed the board management retained the services of an outside financial advisor, and with the assistance of that advisor, a bid purchase price was calculated. Mr. Allpass asked board approval to submit a bid in the range of 100.50% to 101.70% of the principal and interest outstanding in the portfolio. He noted that management needs to conduct further analysis and additional information regarding the terms of permanent financing was pending. Once that additional information was received and further analysis performed, a final bid price would be calculated but it would be within the aforementioned range.

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After further discussion and questions, Chair Garcia asked for a motion authorizing management to submit a bid within the proposed range. Dan Salzwedel so moved and Gavin Gillette seconded the motion. The motion carried unanimously.

Mr. Allpass then provided additional information regarding management's request for authorization to initiate negotiations for an equity credit line secured by the building. He further discussed why management believed the credit line was necessary and informed the board the credit line would be in an amount not to exceed \$3 million. He noted the credit line would be obtained from a local state-based bank.

After further discussion and questions, Chair Garcia asked for a motion to authorize management to initiate negotiations with a local, state-based bank for an equity credit line secured by the building in an amount not to exceed \$3 million. Dan Salzwedel so moved and Gavin Gillette seconded. The motion carried.

V. Resolution to Approve Entering into an Agreement with Bank of America to Provide Financing Contingent on Winning the Bid to Purchase the Portfolio

Brad Allpass reviewed with the board a commitment letter Bank of America has provided. Because the commitment letter had not been received by the time the board meeting materials were sent to the board, the letter was emailed to each board member right before the meeting began. Mr. Allpass asked the board for approval to enter into an agreement with the bank in accordance with the terms of the commitment letter, contingent on the seller accepting NMEAF's bid to purchase.

After additional discussion and questions, Chair Garcia asked for a motion to authorize management entering into an agreement with Bank of America in accordance with the terms of the commitment letter from the bank. Gavin Gillette so moved and Dan Salzwedel seconded. The motion passed unanimously.

VI. Executive Session

Chair Garcia asked for a motion to enter executive session to discuss a personnel matter. Julie Filatoff so moved and Dan Salzwedel seconded. Executive session began at 1:46PM.

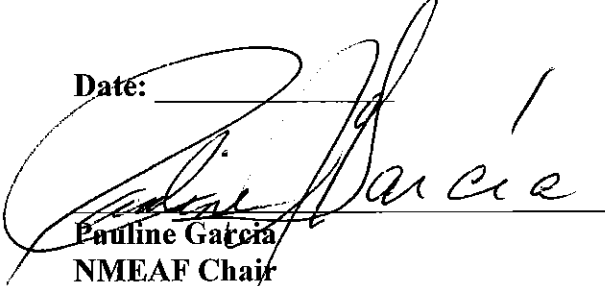
Executive session ended at 2:06PM with no action taken.

VII. Adjournment

With all business transacted, the meeting adjourned at 2:08 PM.

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Date: _____



Pauline Garcia
NMEAF Chair

Date: _____



Eileen Givler
NMEAF Secretary/Treasurer