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October 27, 2009

MEDIA ALERT

Silver lining for former Silver State Helicopter students through settlement agreement

(For immediate release...)

SALT LAKE CITY, Utah - Francine A. Giani, Executive Director of the Department of Commerce, announced today that the Utah Division of Consumer Protection has signed on to a 12-state settlement agreement with Student Loan Xpress to partially forgive student loans associated with the now defunct Silver State Helicopter School. This agreement resolves an 18-month national investigation into Student Loan Xpress, a subsidiary of CIT Group, who under the terms will forgive a total of \$112.8 million in debt for students who obtained private educational loans to attend Silver State Helicopters, LLC. The agreement does not suggest any wrongdoing or admission of such by Student Loan Express.

"Silver State students' dreams were grounded when the school failed to deliver on their education and left a trail of costly loans in their wake," said Francine A. Giani, "We are especially grateful to Utah Assistant Attorney General, Jeff Buckner, and also to the other state's attorneys general whose good work brings further relief to students who were hurt financially by this flight school."

The Utah Division of Consumer Protection previously distributed \$187,500 in loan repayments to flight schools students through Silver State Helicopter's bond. Through this new settlement agreement, former Silver State students in Utah are now eligible to receive additional relief. The 12 state settlement requires Student Loan Xpress forgive 75 percent of the total amount borrowed to the majority of Silver State Helicopters students. The percentage of loan forgiveness for the remaining students will vary by the amount of training each successfully completed. Students will be required to make payments on any remaining loan balance.

In addition, Student Loan Xpress is prohibited from providing negative information about students who failed to make payments on their loans prior to the settlement to any credit reporting agencies. Further, in situations where Student Loan Xpress acts as the exclusive private loan provider for students of a private post-secondary, trade or vocational institution not certified or accredited by state or federal authorities, the company must provide written disclosures to each prospective student-borrower stating the loans do not constitute an endorsement of the school, its principals, or the quality of education or training offered.

Silver State Helicopters began operating in 2002 as a small helicopter pilot training school and ultimately operated 34 flight schools in Utah and throughout the country with a total of 2,700 enrolled students. During 2005-2007, Student Loan Xpress served as the preferred student lender for Silver State Helicopters, providing approximately \$174 million to over 2,300 students nationwide. Records showed that only a small percentage of students graduated and drop-out rates were exceptionally high.

By 2008, Silver State Helicopters had discontinued operations entirely and had filed for bankruptcy. Most students were left owing Student Loan Xpress thousands of dollars for training and certifications they never received. The Utah Division of Consumer Protection received 86 complaints about the company's bankruptcy and student loans in default.

The following states participated in the agreement: California, Florida, Georgia, Idaho, Illinois, Missouri, Montana, Nevada, Oklahoma, Oregon, Utah and Washington. A related national private class action settlement was also filed in Federal court in Florida.

Former Silver State students may contact the following email address with any settlement agreement questions; settlementquestions@gmail.com

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