§ 683-a. Sale of student loan; notification to borrower. 1. "Banking institution" as used in this section shall mean and include all banks, trust companies, savings banks, savings and loan associations, credit unions and foreign banking corporations whether incorporated, chartered, organized or licensed under the laws of this state or any other state or the United States.

2. "Lender" as used in this section shall mean and include:

(a) a national or state chartered bank, mutual savings bank, savings and loan association, or credit union that:

(1) is subject to examination and supervision in its capacity as a lender by an agency of the United States or of the state in which its principal place of operation is established; and

(2) does not make or hold loans to students under the federal guaranteed student loan program that total more than one-half of its consumer credit loan dollar volume, including home mortgages, unless it is a bank that is wholly owned by a state; or

(b) a pension fund as defined in the federal employees retirement income security act; or

(c) an insurance company that is subject to examination and supervision by an agency of the United States or a state; or

(d) in any state, a single agency of the state or a single private nonprofit agency designated by the state; or

(e) for purposes only of purchasing and holding loans made by other lenders under the federal guaranteed student loan program, the student loan marketing association or an agency of any state functioning as a secondary market.

3. "Guaranteed education loan" as used in this section shall mean and include any loan made for the purpose of financing higher education which is made under the authority of Part B of Title IV of the Higher Education Act of 1965 or under the authority of section six hundred eighty of this chapter.

4. Any banking institution or other eligible lender as such terms are defined in this section which sells a student loan held by it to the federal student loan marketing association in the manner authorized by

the federal guaranteed student loan program and applicable provisions of federal law shall be required to provide written notification of such sale to the student borrower by mail not later than the fifteenth day next succeeding the date of such sale.

5. Whenever a banking institution or other eligible lender as such terms are defined in this section sells a guaranteed education loan to another banking institution or eligible lender, such selling institution shall notify the borrower in writing within fifteen days of such sale. Such notice shall include the name and address of the institution which has purchased such loan. The selling institution shall also notify the New York state higher education services corporation or other guarantor of such sale. Notice shall include:

(a) the name and address of the institution which has purchased the loan; and

(b) the name, address and social security number of the borrower and the borrower's account number.