



Navient Solutions, LLC
2001 Edmund Halley Drive
Reston, VA 20191

March 29, 2018

Alicia L. Lewis
MRAC Designated Federal Officer and Special Counsel to Commission Behnam
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581
Submitted to: MRAC_Submissions@cftc.gov

Re: Market Risk Advisory Committee

Dear Ms. Lewis:

Navient Solutions, LLC (“Navient”) appreciates the opportunity to respond to the request for nominations and topic submissions for the Market Risk Advisory Committee (“MRAC”) of the Commodity Futures Trading Commission (“CFTC”), and submits this letter to nominate a Navient representative to membership on MRAC.

Navient commends the CFTC for the creation, and ongoing support, of the MRAC and is pleased Commissioner Behnam will assume its sponsorship. Navient appreciates the work of MRAC in examining the systemic issues that threaten the stability of the derivatives markets and other financial markets, and recommending how to improve market structure and mitigate risk. We further commend the MRAC for continuing to keep their meetings open to the public, and we appreciate having had the opportunity to participate in MRAC meetings as an audience member. The public MRAC meetings help swap end-users like Navient better understand the intention of CFTC rules and enable end-users to be more proactive in preparing for changes in those rules and in market practices.

Navient has a unique perspective as a US swap end-user, qualifying as a financial entity due to its engagement in activities financial in nature.

Background on Navient

Navient is a leading provider of asset management and business processing solutions for education, health care, and government clients at the federal, state, and local levels. We help our clients and millions of Americans achieve financial success through services and support. Headquartered in Wilmington, Delaware, Navient employs team members in western New York, northeastern Pennsylvania, Indiana, Delaware, Tennessee, Texas, Virginia, Wisconsin, California and other locations.

Navient is the largest private sector holder of education loans insured or federally guaranteed

under the Federal Family Education Loan Program (“FFELP”). We also hold the largest portfolio of Private Education Loans. We also have begun originating Private Education Refinance Loans.

Navient services its own portfolio of education loans, as well as education loans owned by the United States Department of Education (“ED”), financial institutions and nonprofit education lenders. Navient is one of the largest servicers to ED under its Direct Student Loan Program (“DSLSP”). Our data-driven insight, service and innovation support customers on the path to successful education loan repayment.

The Company leverages its scale and expertise to provide business processing solutions to a variety of clients, including federal agencies, state and local governments, regional authorities, courts, hospitals, health care systems and other health care providers, and financial service providers. Navient also provides business processing solutions to education-related clients, such as guaranty agencies and colleges and universities.

For all our clients, we aim to improve their financial performance, optimize their operations, and maintain compassionate, compliant service for their customers and constituents.

Navient is a frequent sponsor of securitizations backed by FFELP Loans and Private Education Loans. As of December 31, 2017, Navient had \$81.7 billion aggregate outstanding principal amount in Student Loan ABS backed by FFELP Loans and \$23.4 billion aggregate outstanding principal amount of Student Loan ABS backed by Private Education Loans.

Navient prudently manages its commercial risk through an overall interest rate risk management strategy that incorporates the use of derivative instruments to minimize the economic effect of interest rate changes. The goal is to manage interest rate sensitivity by modifying the repricing frequency and underlying index characteristics of certain balance sheet assets and liabilities so the net interest margin is not, on a material basis, adversely affected by movements in interest rates. In addition, Navient utilizes derivative contracts to minimize the economic impact of changes in foreign currency exchange rates on certain debt obligations that are denominated in foreign currencies.

Nomination for Membership on MRAC

Navient respectfully nominates Jennifer Earyes for membership on MRAC. Jennifer is the Director of Treasury Risk at Navient and has over ten years of experience in derivatives and finance. Shortly after the passage of the Dodd-Frank Act, Jennifer’s focus expanded from heading the middle and back offices of the company’s swap portfolios, to preparing the company for derivative reform. Jennifer has led all Navient compliance with Title VII of the Dodd-Frank Act.

In her role, Jennifer Earyes observed the unintended impacts on swap end-users, and has prioritized advocating on the behalf of end-users, market stability and the benefits of derivative hedging to the real economy. Jennifer is a member of the Coalition for Derivatives End-Users and the Structured Finance Industry Group’s Derivatives Task Force. Through these groups, she

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raises awareness to smaller financial end-users, and frequently advocates to legislators and regulators.

Concluding Remarks

Thank you for considering our request. Please do not hesitate to contact me via telephone at 703-984-6885 or via e-mail at steve.oconnell@navient.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve O'Connell", written in a cursive style.

Stephen J. O'Connell
Senior Vice President & Treasurer
Navient Corporation