

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
1195	Qualifying Teaching Service for the Teacher Loan Forgiveness Program	<p><u>13.9.A</u> <u>Teacher Loan Forgiveness Program</u></p> <p>States that an eligible borrower who performed some or all of his or her service at an eligible education service agency may qualify for teacher loan forgiveness only if the 5 years of qualifying teaching service include service at an eligible education service agency performed after the 2007-2008 academic year.</p>	Guarantor	Applications received on or after August 14, 2008.
1196	Lender Inducements	<p><u>3.4.C</u> <u>Permitted and Prohibited Inducements</u></p> <p>States that a permissible activity by a lender includes the providing of staffing services to a school on a short-term, emergency, non-recurring basis to assist with financial aid-related functions and clarifies that a lender may participate in a school's entrance and exit counseling sessions within constraints. Clarifies the prohibition against lender payment of a finder's fee, lender payment of compensation for service on an advisory board, and the disclosures required of a student who acts as a lender's representative.</p>	Federal	July 1, 2010.
1197	Lender Reporting Requirements Relating to Preferred Lender Arrangements	<p><u>3.5</u> <u>Lender Reporting</u></p> <p>Incorporates lender reporting requirements to the Department that apply if the lender has a preferred lender arrangement with a school or institution-affiliated organization.</p>	Federal	July 1, 2010.
1198	90/10 Rule for Proprietary Schools	<p><u>4.1.A</u> <u>Establishing Eligibility</u> <u>4.1.D</u> <u>Loss of Eligibility</u> <u>4.3.A</u> <u>General School Financial Responsibility Standards</u></p> <p>Updates the sanctions that apply to a proprietary school that fails to satisfy the 90/10 rule and clarifies the time frame in which loss of eligibility occurs for such a failure. Requires the school to report its noncompliance with the 90/10 rule to the Department within 45 days after the end of any fiscal year in which noncompliance occurs.</p>	Federal	July 1, 2010.
1199	Private Education Loans	<p><u>4.1.A</u> <u>Establishing Eligibility</u> <u>4.2</u> <u>Administrative Capability Standards</u> <u>4.4</u> <u>Providing Information to Students</u></p> <p>Requires a school to provide upon request the Private Loan Applicant Self-</p>	Federal	<p>For administrative capability standards, August 14, 2008.</p> <p>Private education loan information provided by a school on or after July 1, 2010.</p>

		Certification form and the data required to complete the form and to discuss certain information with a prospective borrower to whom the school provides information about a private education loan. Requires a school to report reasonable reimbursements received for service on a private education loan lender's advisory board to the Department.		Borrower requests for private education loan eligibility information received by a school on or after February 14, 2010.
1200	Preferred Lender Arrangements	<u>4.4.A</u> <u>Recommended Lender Lists</u> Defines a preferred lender arrangement, addresses a preferred lender list for private education loan lenders, and adds information about acceptable alternatives to providing a preferred lender list.	Federal	July 1, 2010.
1201	Exit Counseling	<u>4.4.D.</u> <u>Exit Counseling</u> Clarifies the additional information borrowers must receive during exit counseling.	Federal	Exit counseling provided by the school on or after August 14, 2008, for: <ul style="list-style-type: none"> • The terms and conditions of Title IV loans (e.g., deferment, forbearance, and cancellation). • The forgiveness or discharge benefits available to a FFELP borrower who consolidates his or her loan(s) into the FDLP. Exit counseling provided by the school on or after July 1, 2010, for: <ul style="list-style-type: none"> • Information about the borrower's obligation to repay the loan(s) even if he or she does not complete the program within the regular time for program completion. • The school's ability to provide the Department's publication that describes the federal student aid programs in a printed or electronic format.
1202	Eligible Borrower Reaffirmation	<u>5.3</u> <u>Prior Loan Written Off Appendix G</u> Clarifies the charges that may be capitalized as of the date of reaffirmation.	Federal	Discharge applications received by the holder on or after July 1, 2010.
1203	New Loan Eligibility after a Total and Permanent Disability Discharge	<u>5.4.A</u> <u>Conditional Discharge of a Prior Loan Due to Total and Permanent Disability</u> <u>5.4.B</u> <u>Final Discharge of a Prior Loan Due to Total and Permanent Disability</u>	Federal	Total and permanent disability loan discharge applications received on or after July 1, 2010. Upon publication of the 09-10 FSA Handbook, Volume 1, for the purpose of

		<p><u>Figure 5-1</u> <u>6.15</u> <u>School Certification of the Loan</u> <u>8.7</u> <u>Delivering Loan Funds</u> <u>Appendix G</u></p> <p>Incorporates the 3-year post-discharge monitoring period for regular total and permanent disability discharges. Also details the documentation that a school must obtain for a borrower who requests a new federal student loan or TEACH Grant after receiving a final discharge or completing the 3-year post-discharge monitoring period on a prior federal student loan or TEACH Grant.</p>		determining the borrower's eligibility for a new federal student loan after a prior loan is discharged due to total and permanent disability.
1204	Borrower's Rights and Responsibilities	<p><u>7.6.A</u> <u>General Initial Disclosure Requirements</u></p> <p>Clarifies lender-specific disclosures that are separate from the Borrower's Rights and Responsibilities statement or Plain Language Disclosure. Reinserts text requiring a lender to provide an explanation of the possible effects of accepting a loan on the student's eligibility for other forms of financial aid.</p>	Federal	Initial disclosure information provided on or after July 1, 2010.
1205	Repayment Disclosures Exception for Invalid Address	<p><u>10.7</u> <u>Disclosing Repayment Terms</u> <u>10.12</u> <u>Lender Disclosures During Repayment</u> <u>12.1.A</u> <u>Lender Disclosure Requirements</u></p> <p>Exempts a lender from sending required disclosures when the lender does not have a valid address for the borrower, unless the lender receives the borrower's valid address before the borrower becomes 241 days delinquent.</p>	Federal	Invalid borrower address identified by a lender on or after July 1, 2010.
1206	Total and Permanent Disability - VA	<p><u>13.1.D</u> <u>Claim File Documentation</u> <u>13.2</u> <u>Claim Returns</u> <u>13.3</u> <u>Claim Purchase or Discharge Payment</u> <u>13.8.G</u> <u>Total and Permanent Disability</u> <u>Appendix G</u></p> <p>Updates the standards for total and permanent disability discharge determinations for borrowers who are determined by the Veteran's Administration to be unemployable due to a service-connected disability.</p>	Federal	<p>Total and Permanent Disability – VA applications received by the lender on or after July 1, 2010, for the change in the guarantor's timeframe for claim processing.</p> <p>Total and Permanent Disability – VA applications received by the lender on or after August 14, 2008, for all other provisions.</p>
1207	Total and Permanent Disability Loan Discharge Based on Regular Determinations	<p><u>13.8.G</u> <u>Total and Permanent Disability</u> <u>Appendix G</u></p> <p>Updates the standards for processing regular total and permanent disability determinations, including conditions that apply during the 3-year post-discharge monitoring period. Additionally, the glossary definition for "Disability" is</p>	Federal	Total and Permanent Disability Discharge Applications received by the lender on or after July 1, 2010.

		deleted and a definition for “Temporarily Totally Disabled” is inserted in the glossary.		
1208	IBR for FFELP Consolidation of a Defaulted Loan	<u>15.2</u> Adds the Income-Based Repayment (IBR) option as a means by which a borrower with a defaulted loan may become eligible for a FFELP Consolidation loan.	<u>Borrower Eligibility and Underlying Loan Holder Requirements</u>	Federal Consolidation requests received by the lender on or after July 1, 2010.
1209	eNotification Package for Cohort Default Rate (eCDR) and Loan Record Detail Report Request	<u>16.1</u> <u>16.3</u> <u>16.4</u> <u>16.4.B.</u> <u>Appendix G</u> Explains the eCDR package as a process used by the Department to deliver cohort default rate information to schools. Clarifies a school's timelines for submission of challenges, adjustments, and appeals.	<u>Overview of Cohort Default Rates and Terminology</u> <u>School Draft Cohort Default Rates and Challenges</u> <u>School Official Cohort Default Rates, Adjustments, and Appeals</u> <u>School Appeals</u>	Federal July 1, 2010.
1210	Cohort Default Rate Adjustments and Appeals	<u>16.4.A</u> <u>16.4.B</u> Specifies that if the Department approves an uncorrected data adjustment, a new data adjustment, an erroneous data appeal, or an improper loan servicing appeal; the Department will recalculate the school's cohort default rate and electronically correct the rate that was publicly released. Clarifies that if the Department approves an average rate appeal, the school will not lose its Title IV eligibility.	<u>School Requests for Adjustments</u> <u>School Appeals</u>	Federal July 1, 2010, for two-year cohorts calculated for fiscal year 2008 through fiscal year 2011.
1211	Definition of “Agent”	<u>Appendix G</u> Defines “agent” as an officer or employee of the school or an institution-affiliated organization, for the purposes of a school's Code of Conduct and preferred lender arrangements.		Federal July 1, 2010.
1212	Administrative Standards	<u>4.2</u> States that a school must establish and maintain records required for each title IV program.	<u>Administrative Capability Standards</u>	Correction Retroactive to the implementation of the <i>Common Manual</i> .