

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
903	Institutional Eligibility and Reporting Requirements	<p><u>4.1.A Establishing Eligibility</u> <u>4.1.C Maintaining Eligibility</u></p> <p>Clarifies that, in order to establish or maintain eligibility, schools must submit requests for approval to participate in the Title IV programs and report changes to its current participation agreement to the Department electronically, using the Application for Approval to Participate in Federal Student Financial Aid Programs (E-App).</p>	Federal	<p>Applications for recertification, reinstatement, or changes in ownership submitted by the school on or after the publication date of the 1998-1999 <i>Federal Student Aid Handbook</i>. Applications for reporting changes to a current approval submitted by the school on or after the publication date of the 1999-2000 <i>Federal Student Aid Handbook</i>. Applications for initial certification submitted by the school on or after the publication date of the 2000-2001 <i>Federal Student Aid Handbook</i>.</p>
904	Single Holder Rule	<p><u>15.2 Borrower Eligibility and Underlying Loan Holder Requirements</u> <u>15.3.C Reviewing the Loan Verification Certificate</u></p> <p>Revised policy allows a borrower to seek consolidation with any consolidation lender, even if the borrower's loans are held by one holder.</p>	Federal	Federal Consolidation loan applications received by the lender on or after June 15, 2006.
905	Cohort Default Rate Notification	<p><u>16.1 Overview of Cohort Default Rates and Terminology</u></p> <p>Adds information regarding the electronic process that the Department uses to notify schools of draft and official cohort default rates.</p>	Federal	Domestic school's receipt of draft and of official cohort default rate notifications on or after June 1, 2005.
906	Federal Default Fee Versus Guarantee Fee	<p><u>10.11.E Applying Funds Returned by the School</u> <u>B.2 Option 2: Refinancing to Secure a Variable Interest Rate</u></p> <p>Clarifies that, if a lender</p>	Correction	Federal Stafford and PLUS loans guaranteed on or after July 1, 2006.

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		<p>deducted the federal default fee (or guarantee fee), or origination fee from the borrower's loan proceeds, the lender must reduce the fee proportionate to the amount of returned loan funds that a lender receives from a school.</p> <p>Clarifies in appendix B, section B.2 that neither the guarantor nor the lender may charge a borrower a federal default fee (formerly guarantee fee) for refinancing loans to secure a variable interest rate.</p>		
907	Refinancing Fixed-Rate PLUS or SLS Loans	<p><u>B.2 Refinancing to Secure a Variable Interest Rate</u> <u>B.3 Refinancing by Obtaining a New Loan</u></p> <p>Adds the statutory limitations that define which loans may be refinanced for the purpose of changing a fixed-rate PLUS or SLS Loan to a variable-rate loan.</p>	Correction	PLUS or SLS loans first disbursed prior to July 1, 1987.

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