

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
939	Eligibility for a Consolidation Loan	<p><u>5.16.A Ineligibility Based on Borrower Error</u> <u>15.2 Borrower Eligibility and Underlying Loan Holder Requirements</u></p> <p>Revised policy states that a borrower may not consolidate a loan(s) for which he or she is wholly or partially ineligible but clarifies that the borrower is allowed to consolidate any eligible loans he or she may have.</p>	Federal	Consolidation loan applications received on or after December 1, 2006, unless implemented earlier by the lender on or after July 1, 2000.
940	Estimated Financial Assistance	<p><u>6.7 Determining the Amount of Estimated Financial Assistance</u> <u>figure 8-3 School Requirements Before Delivering a FFELP Loan</u> <u>appendix G</u></p> <p>Revised policy adds to the list of aid that is part of EFA and specifies other aid types that are excluded from the EFA. Revised policy also changes "resources" to "EFA" in figure 8-3, and clarifies the definition of "overaward" in the glossary.</p>	Federal	Loans certified by the school on or after September 8, 2006.
941	Disbursement for Students in Study-Abroad Programs or Foreign Schools	<p><u>7.7.E Disbursement for Students in Study-Abroad Programs or Foreign Schools</u> <u>9.2.B Reporting Student Enrollment Status Changes to the Lender or Guarantor</u></p> <p>This policy clarifies the enrollment verification activities that a guarantor or lender must perform before Stafford loan funds may be disbursed directly to a student attending a foreign school or a student attending a study-abroad program. In addition, revised policy incorporates requirements for a lender to notify a foreign school or, as applicable, the home school in the case of a study-abroad student, when funds are directly disbursed to the student, and requirements for</p>	Federal	<p><u>Retroactive to the implementation of the <i>Common Manual</i>:</u></p> <p>The lender must notify the foreign school upon disbursing loan funds directly to a student attending the foreign school.</p> <p><u>For loans first disbursed directly to the student on or after July 1, 2006:</u></p> <p>The guarantor must verify that the school is certified to participate in the Title IV programs prior to the lender's direct disbursement of loan funds to a student enrolled in a foreign school.</p> <p><u>For loans first disbursed directly to the student on or after September 8, 2006:</u></p> <p>Any required verification for a study-abroad or foreign school student:</p> <ul style="list-style-type: none"> <li>• Must be completed before <i>each</i></li> </ul>

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
		<p>the school to notify the lender if such a student is no longer eligible to receive the loan funds. Finally, revised policy specifies that PLUS loan funds may not be directly disbursed to a borrower or student under any circumstances.</p>		<p>disbursement.</p> <ul style="list-style-type: none"> <li>• May be made by telephone or e-mail.</li> <li>• For a new student, must confirm that the student has been admitted.</li> <li>• For a continuing student, must confirm that the student is still enrolled.</li> <li>• Must be documented by the lender or guarantor.</li> </ul> <p>The lender must notify the home institution upon disbursing loan funds directly to a study-abroad student. Upon receipt of the notification, the school must notify the lender if the student is no longer eligible for the disbursement.</p> <p>A PLUS loan for a student enrolled in a foreign school may be disbursed by EFT or master check to an account maintained by the school, or by a paper check made co-payable to the borrower and the school, and mailed directly to the school.</p> <p><u>For loans first disbursed directly to the student on or after December 1, 2006:</u></p> <p>Any required verification:</p> <ul style="list-style-type: none"> <li>• Must be made by telephone, e-mail, or facsimile..</li> <li>• Must confirm that the student is enrolled at least half time.</li> <li>• For a student enrolled in a study-abroad program, must be provided by the home institution.</li> <li>• For a student enrolled at a foreign school, must be provided by an official authorized by the foreign school to act on the school's behalf in administering the FFELP.</li> </ul> <p>A lender may make a direct disbursement to a student attending a foreign institution only upon the request of an official authorized by the foreign school to act on the school's behalf in administering the FFELP.</p>

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
942	Media for Providing Borrower and Student Notifications	<p><u>8.2 Required Notices</u></p> <p>Revised policy clarifies that a school may provide required notifications via electronic media, provided the borrower or student, as applicable, affirmatively and voluntarily consents to the use of an electronic record in a manner that reasonably demonstrates that the individual is able to access the information.</p>	Federal	Borrower disclosures and required notices sent in electronic format on or after May 2001.
943	Overaward of PLUS Loans	<p><u>8.6 Managing Overawards</u></p> <p>Revised policy states that an overaward occurs when a student receives additional financial assistance or the student's expected family contribution increases, resulting in a reduction of the student's eligibility for a previously certified Stafford or Grad PLUS loan.</p>	Federal	<p>For the removal of the foreign school exemption from the overaward provisions, effective September 8, 2006.</p> <p>For the inclusion of Grad PLUS loans in the overaward provisions, effective December 1, 2006.</p>
944	<p>Economic Hardship Deferment Criteria</p> <p><b><i>Deferred for further development</i></b></p>	<p><u>11.4.A Eligibility Criteria—Economic Hardship</u></p> <p>Revised policy states that a borrower who is receiving a service or benefit from a federal or state public assistance program is also eligible for an Economic Hardship deferment.</p>	Federal	Economic Hardship deferments granted by the lender on or after July 1, 2007, unless implemented earlier by the guarantor.
945	False Certification as a Result of the Crime of Identity Theft	<p><u>figure 11-2</u> <u>11.20.D False Certification Due to Identity Theft</u> <u>13.8.E False Certification Due to Identity Theft</u></p> <p>Revised policy defines the term "identity theft", provides loan discharge criteria, lender loan servicing requirements, and claim filing procedures when an individual requests false certification discharge due to the crime of identity theft.</p>	Federal	False certification as a result of identity theft loan discharge claims processed by the lender on or after September 8, 2006.

#	Subject	Summary of Change to <i>Common Manual</i>	Type of Update	Effective Date
946	Consolidation Loans	<p><u>15.2 Borrower Eligibility and Underlying Loan Holder Requirements</u></p> <p>Revised policy allows a borrower to consolidate a single Federal Consolidation loan into a Direct Consolidation loan if the single Federal Consolidation loan is held by the guarantor as a result of a bankruptcy claim and the borrower is seeking an income-contingent repayment schedule.</p>	Federal	Direct Consolidation Loan applications submitted by borrowers on or after December 1, 2006.
947	Higher Education Hurricane Relief Act Waivers	<p><u>H.4 Statutory and Regulatory Waivers</u></p> <p>Revised policy includes in section H.4 of the <i>Common Manual</i> information on the waiver of the return of Title IV funds requirements for schools affected by Hurricanes Katrina or Rita.</p>	Federal	February 23, 2006.
948	Exit Counseling	<p><u>4.4.C Exit Counseling</u></p> <p>Revised policy states that exit counseling must include “the average anticipated monthly repayment amount based on the student’s indebtedness” or on the average indebtedness of Stafford loan borrowers at the same school or in the same program of study at the same school.</p>	Correction	Exit counseling conducted by or on behalf of the school on or after July 1, 2000.
949	Repurchase Definition	<p><u>13.5 Claim Repurchase appendix G</u></p> <p>Revised policy relocates a comprehensive definition of repurchase to the glossary, and acknowledges that repurchase scenarios are not confined solely to defaulted loans.</p>	Correction	Claims repurchased on or after 18 months from the publication of the Common Account Maintenance claim submittal records (CAM chapter 11), unless implemented earlier by the guarantor.