The nation=s guarantors provide the following summaries to inform schools, lenders, and servicers of the latest *Common Manual* policy changes. These changes will appear in the manual=s next annual update. These changes will also be incorporated into the *Integrated Common Manual.* The *Integrated Common Manual* is available on several guarantor websites, and it is also available on *Common Manual=s* website at **www.commonmanual.org**. Please carefully note the effective date of each policy change.

Reduced Interest Rate Documentation for Claims
The July 2009 *Common Manual* has been revised to require a lender to provide documentation supporting the granting of a reduced interest rate under the Servicemembers Civil Relief Act if, at the time the lender files a claim with the guarantor, the borrower, comaker, or endorser is receiving this benefit. This documentation must include the borrower's written request for the reduced interest rate and the applicable military orders.

Affected Sections:	13.1.D	Claim File Documentation
Effective Date:	Claims filed by the lender on or after January 1, 2010, unless implemented earlier by the lender.	
Basis:	HEA §428(d); DCL GEN-08-12/FP-08-10.	
Policy Information:	1135/160	
Guarantor Comments:	None.	

Identity Theft and Ineligible Borrower Claim Documentation
The July 2009 *Common Manual* has been revised to require a lender to submit a completed FFELP Ineligible Borrower and Identity Theft Supplemental Form along with a Claim Form when filing a claim with a guarantor for an ineligible borrower discharge or a discharge due to false certification as a result of the crime of identity theft. This form is located in the National Council of Higher Education Loan Programs (NCHELP) e-Library (at www.nchelp.org) as well as on many guarantor Web-sites.

Affected Sections:	2.3.C	Common Forms
	13.1.D	Claim File Documentation
Effective Date:	Claims filed by the lender on or after January 1, 2010, unless implemented earlier by the lender or guarantor.	
Basis:	NSLDS Technical Update GA 2008-04.	
Policy Information:	1136/160	
Guarantor Comments:	None.	

Permissible Activities for Lenders
The July 2009 *Common Manual* has been updated to incorporate a provision of P.L. 111-39 that allows a lender to provide entrance counseling services. If a lender provides entrance counseling services, the school's staff must be in control of the counseling, whether it is conducted in person or via electronic capabilities, and the counseling must not promote the products and services of any specific lender.

Affected Sections:	3.4.C.	Permitted and Prohibited Activities
Effective Date:	Entrance counseling provided by a lender on behalf of a school on or after August 14, 2008.	
Basis:	P.L. 111-39; HEA §435(d)(5)(E) and (F).	
Policy Information:	1137/160	
Guarantor Comments:	None.	

Federal Veterans' Education Benefits and Estimated Financial Assistance
The July 2009 *Common Manual* has been revised to incorporate a provision of P. L. 111-39. Any federal veterans' education benefits are *excluded* from estimated financial assistance (EFA), including, but not limited to, benefits paid under the following provisions of federal law:

- Chapters 103 (Senior Reserve Officers' Training Corps), 106A (Educational Assistance for Persons Enlisting for Active Duty), 1606 (Selected Reserve Educational Assistance Program), and 1607 (Educational Assistance Program for Reserve Component Members Supporting Contingency Operations and Certain Other Operations) of Title 10 of the U.S. Code.

- Chapters 30 (Montgomery GI Bill-Active Duty), 31 (Training and Rehabilitation for Veterans with Service-Connected Disabilities), 32 (Post-Vietnam Era Veterans' Educational Assistance Program), 33 (Post-9/11 Educational Assistance including Federal and school contributions to the Yellow Ribbon Program) and 35 (Survivors' and Dependents' Educational Assistance Program) of Title 38 of the U.S. Code.

- Section 903 of the Department of Defense Authorization Act, 1981 (10 U.S. C. 2141 note) (Educational Assistance Pilot Program).

- Section 156(b) of the Joint Resolution making further continuing appropriations and providing for productive employment for the fiscal year 1983, and for other purposes (42 U.S.C. 402 note) (Restored Entitlement Program for Survivors, also known as Quayle benefits).

- Chapter 3 of Title 37 of the U.S. Code, related to subsistence allowances for members of the Reserve Officers Training Corps.

The exclusion of federal veterans' education benefits from EFA applies regardless of whether the benefit recipient is the veteran, the veteran's spouse, or the veteran's dependent.

Affected Sections:	6.7	Determining the Amount of Estimated Financial Assistance
	Appendix G	
Effective Date:	July 1, 2009.	
Basis:	P. L. 111-39; Higher Education Opportunity Act (HEOA) (P. L. 110-315); HEA §428(a)(2)(C)(ii); HEA §428B(b); HEA §428H(b)(1); HEA §480(c)(2); HEA §480(j)(1); Electronic Announcement dated July 2, 2009; Electronic Announcement dated August 13, 2009.	
Policy Information:	1138/160	
Guarantor Comments:	None.	

Increased Unsubsidized Stafford Loan Limits for Health Profession Students
The July 2009 *Common Manual* has been updated to remove outdated information. Previously, the Manual stated that to be eligible for the increased unsubsidized Stafford loan limit available to a health profession student, the student must not receive a Health Education Assistance Loan (HEAL) Program loan for any portion of the same loan period as the increased unsubsidized Stafford annual loan limit. This text has been deleted, since no new HEAL Program loans were made beginning with federal fiscal year 1999, which started on October 1, 1998.

Affected Sections:	6.11.D	Increased Unsubsidized Stafford Loan Limits for Health Profession Students
Effective Date:	October 1, 1998.	
Basis:	DCL GEN-98-18; U.S. Department of Health and Human Services Bureau of Health Professions *Student Financial Aid Guidelines, Health*	

Reporting Social Security Number Changes or Corrections

The July 2009 *Common Manual* has been revised to state that when a school becomes aware of a discrepancy with a student's or parent borrower's Social Security number (SSN), date of birth, or first name, the school must attempt to obtain documentation of the correct SSN, date of birth, or first name. The school must notify the guarantor of any change made to the SSN, date of birth, or first name as a result of obtaining documentation, and must notify the lender of any change to the SSN. In addition, if the school exhausts its efforts to verify the correct borrower SSN, the school should notify both the lender and guarantor. Lastly, the Manual is revised to state that the school must instruct the lender to cease disbursement on the loan, and the school may not deliver any FFELP loan funds to the student until the school determines the correct SSN.

Affected Sections: 9.1   Reporting Social Security Number, Date of Birth, and First Name Changes or Corrections
Effective Date: July 1, 1996.
Basis: §668.36(c); *Federal Register*, Vol. 60, No. 231, dated December 1, 1995.
Policy Information: 1140/160
Guarantor Comments: None.

Completing Loan Verification Certificates

The July 2009 *Common Manual* has been updated to state that a joint Consolidation loan cannot be reconsolidated under either the FFELP or the Federal Direct Loan Program (FDLP). The Manual has also been updated to specify that the lender must complete an FDLP LVC even for a single Federal Consolidation loan that otherwise appears ineligible for reconsolidation, unless the Consolidation loan is a joint Consolidation loan.

Affected Sections: 15.3.C   Reviewing the Loan Verification Certificate
Effective Date: Loan verification certificates received by the lender on or after August 14, 2008.
Basis: DCL FP-09-03.
Policy Information: 1141/160
Guarantor Comments: None.