



IMPORTANT UPDATE

TO: Financial Aid Officers
Student Loan Officers

FROM: Jessie Cooper, Compliance Officer
Georgia Student Finance Corporation

DATE: December 30, 2005

SUBJECT: COMMON MANUAL, *Unified Student Loan Policy Bulletin 84*

Each policy statement included in this package represents clarification, revision, or correction to an existing policy. The retroactive effective date associated with each provision is noted at the end of each section.

Enclosed you will find the following according to the order in which the policies were passed:

Reference # 845 – Required Information on the Default Aversion Assistance Request Form
Reference # 848 – Out-of-School Date
Reference # 849 – Forbearance After the Date of Default

If you have any questions about the enclosed common bulletin, please contact Jessie Cooper by phone at 770-724-9139 or e-mail at jessiec@gsfc.org.

Attachment

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 in July 2006. These changes will also be incorporated into the December 2005 *Integrated Common Manual*. The *Integrated Common Manual* is available on several guarantor websites, and it is also available on NCHelp's website at www.NCHELP.org in the e-library. Please carefully note the effective date of each policy change.

Information To Be Provided on the Default Aversion Assistance Request Form

The *Common Manual* is being updated with revisions to the information that needs to be included on the Default Aversion Assistance Request (DAAR) Form. Also, the figure has been modified slightly to more clearly match the fields on the DAAR Form. Two technical edits were made to correct terminology. Details of the changes are noted below.

The following fields have been changed from "If Available" to "Required:"

- Validity of the borrower's address.
- Validity of the address for each reference.

In the field of Figure 12-5 that references the servicer's six-digit servicer ID assigned by the Department, the cross-reference to Footnote #3, which states that the information is only required for loans disbursed on or after September 1, 1998, is being removed.

The field description for the borrower's last-known address was modified to clarify that the *complete* address is needed.

The field description for home telephone numbers, other numbers and validity of the telephone numbers for each reference was modified for simplification and clarity to read, "Home telephone number and other numbers."

The parenthetical statement in the field description for "Full name of the endorser, comaker, or PLUS student and identifying code" was modified for simplicity to read as follows: "(i.e., E = endorser, C = comaker, S = PLUS student)."

The validity fields for the "Endorser's or comaker's last-known complete address," "Endorser's or comaker's home telephone number," "PLUS student's last-known complete address," and "PLUS student's home telephone number" have been moved to create four new item description fields. All four validity fields are required.

The "Endorser's or comaker's home telephone number" is required only if it is available for all loans, regardless of the disbursement date.

Affected Sections:	Figure 12-5
Effective Date:	Default aversion assistance requests sent by the lender on or after July 1, 2006, unless implemented earlier by the guarantor.
Basis:	None.
Policy Information:	845/Batch 1256
Guarantor Comments:	None.

Glossary Updates: "Separation Date" and "Out-of-School Date"

The *Common Manual* has been updated to remove the definition of "separation date" from appendix G because the term is not currently used in the *Common Manual* text. The policy also adds the definition of "out-of-school date." "Out-of-school date" is defined as the date the student ceases to be enrolled on at least a half-time basis at an eligible school.

Affected Sections: appendix G

Effective Date: Retroactive to the implementation of the *Common Manual*.
Basis: None.
Policy Information: 848/Batch 126
Guarantor Comments: None.

Forbearance after the Date of Default

The *Common Manual* is revised to clarify that if the lender receives a new signed agreement to repay the debt, a lender may grant a discretionary forbearance after the date of default via a verbal or written agreement with the borrower or endorser. The revised policy also clarifies that, at the lender's discretion, the agreement to repay the debt may be included in a written forbearance agreement or may be separate.

Affected Sections: 11.18.G Forbearance of Defaulted Loans
13.2.B Claim Recalls

Effective Date: Discretionary forbearance granted by the lender on or after July 1, 2003, unless implemented earlier by the lender, but not before November 1, 2002, as permitted by the guarantor.

Basis: §682.211(b) and (d)

Policy Information: 849/Batch 126

Guarantor Comments: None.