

Section 3

Third-Party Servicer Audits

The *Common Manual* has been revised to remove outdated information in subsection 3.8.B that addressed the period to be covered in an initial audit by a lender servicer. This dated information has been moved to appendix H.

Affected Sections: 3.8.B
Effective Date: Third-party servicer audits submitted on or after June 1, 1997.
Basis: None.

Chapter 5

PLUS Loan Limits

Common Manual policy has been revised to state that only Stafford loans are subject to annual and aggregate loan limits.

Affected Sections: 5.8.A
Effective Date: Retroactive to the implementation of the *Common Manual*.
Basis: None.

Chapter 8

Borrower Eligibility for Closed School and False Certification Loan Discharges

The *Common Manual* has been updated to clarify that a borrower may be eligible for closed school or false certification discharge of the entire loan if the borrower (or the student for whom a parent obtained a PLUS loan) received any part of the proceeds of a FFELP loan on or after January 1, 1986.

Affected Sections: 8.2.G, 8.2.H, ^{CCI}8.2.G, ^{CCI}8.2.H

Effective Date: Retroactive to the implementation of the *Common Manual*.

Basis: ' 682.402(d)(3)(ii)(A) and ' 682.402(e)(3)(ii)(A) as updated in the April 29, 1994, *Federal Register*.

Chapter 10

Exemptions from the Consequences of High Official Cohort Default Rates

The *Common Manual* has been revised to remove redundant information (*Common Manual* subsection 10.4.B, page 11, column 1, paragraphs 2 and 3) related to eligibility criteria and procedures for schools that qualify for relief from the consequences of high official cohort default rates. This information is being retained under the more appropriate subheading "Exemptions from Consequences of High Official Cohort Default Rates," in section 10.5.

Affected Sections: 10.4.B
Effective Date: Cohort default rates calculated on or after July 1, 2001.
Basis: '668.198

Appendix G

Three Year Rule

The *Common Manual* has been updated by deleting the term "Three Year Rule" and its definition from appendix G because the term is not used within the text of the manual.

Affected Sections: appendix G
Effective Date: Retroactive to the implementation of the *Common Manual*.
Basis: None.