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Tip^{of} the Week

Collect new or updated permanent address information from graduating students before they leave campus. If your registrar's office already collects this information, make sure it can be made available to lenders and servicers. For help facilitating data exchanges with lenders and servicers, call TG at (800) 338-4752.

Federal updates

New consolidation forms approved by ED

Last week, ED released DCL GEN-03-13, announcing the availability of the revised Federal Consolidation Loan Application and Promissory Note (Consolidation Loan Application). The revised form, which expires October 31, 2006, replaces the current version of the Consolidation Loan Application.

FFELP participants may begin using the revised form immediately, or may continue to use their existing supply of Consolidation Loan Applications until June 1, 2004, when only the revised Consolidation Loan Application may be provided to borrowers. Lenders may, however, process the prior version of the Consolidation Loan Application if a borrower submits that form to the lender on or after June 1, 2004.

Changes to the forms

The Consolidation Loan Application forms have undergone a variety of structural and cosmetic changes, as described below.

The Consolidation Loan Application

- The revised Consolidation Loan Application is 9 pages; the first 4 pages are for borrower completion, with the borrower's signature on the 4th page.

- The pages have been changed from legal (8½" × 14") to letter (8½" × 11") size.
- The form provides two separate sections for the borrower to list loans; in one section, the borrower lists the loans that he or she wants to consolidate, and in the other section, the borrower lists loans that he or she does not want to consolidate but wants used to calculate the maximum repayment term for his or her Consolidation loan. Separating these sections is expected to minimize errors in reporting, and the additional number of lines for entries will lessen the need for using the separate Additional Loan Listing Sheet.
- The Borrower Certification and Authorization statements have been moved so that they immediately precede the Promise to Pay. Relocating this important information to the signature page strengthens the focus on what the borrower is committing to when he or she signs the Consolidation Loan Application.

The instruction sheet

The borrower's instructions for completing the Consolidation Loan Application have been updated to accommodate the structural changes of the form and to provide additional clarifying information. The instructions now include the following:

- An introduction that notifies the borrower of the documentation necessary to complete the Consolidation Loan Application.
- A notice that explains which section is to be completed for a joint Consolidation loan and emphasizes that both spouses are liable for repayment.
- A loan code for private loans that may be included in the calculation used to determine a borrower's maximum repayment term but that are not eligible for consolidation.

In addition, the instructions for submission of the completed form have been relocated to the end of the instruction sheet.

Borrower's Rights and Responsibilities Statement

The revised Borrower's Rights and Responsibilities Statement now includes additional clarifying language that is more borrower-friendly and informative. Changes to the form include the following:

- The addition of information about the federal income tax deduction applicable to interest payments made on a Consolidation loan.
- Information about the possible discharge of the underlying portion of a Consolidation loan attributable to a PLUS loan in the case of a dependent student's death.

- Information about the qualifications connected to the discharge of a loan due to total and permanent disability.
- Information about the Teacher Loan Forgiveness Program.
- Clarifying language about joint Consolidation loans and partial discharge or forgiveness when one spouse qualifies.
- Information pertaining to forbearance eligibility for a borrower who is “called to active duty in the U.S. Armed Forces.”

Additional Loan Listing Sheet

The Additional Loan Listing Sheet no longer requires a signature(s) and date.

The Loan Verification Certificate

A field has been added to the Loan Verification Certificate to collect the borrower’s grace period end date. This field will help lenders in determining the borrower’s applicable interest rate when timing of submission is an issue. Stafford Loan borrowers who consolidate during their grace period receive a lower interest rate than those who consolidate during repayment.

Request to Add Loans

The Paperwork Reduction Notice, Financial Privacy Act Notice, and the Privacy Act Notice have been added to the Request to Add Loans, making this a three-page form.

For more information

To access DCL GEN 03-13, go to www.ifap.ed.gov/dpcletters/GEN0313.html. The DCL includes the related forms and attachments in MS Word format. In addition, TG has posted the typeset version of the revised forms in PDF format, as well as a matrix that identifies the most substantive changes made from the current Consolidation forms to the revised forms on *TG Online* at www.tgslc.org/forms/frms_con.cfm.

Supplies of the revised Consolidation Loan Application will be available soon to order. Watch *Shoptalk Online* for the announcement.

TG updates

TG recognizes outgoing advisory committee members, welcomes new members

Listening is a cornerstone of TG’s commitment to customer service — your input helps us make educational access simpler and more productive for all involved. One

way TG gathers input is through its Lender and School Advisory Committees. Each year, several financial aid and student lending professionals on the committees complete their two-year terms, and new members take their place. At recent meetings of the Lender and School Advisory Committees, outgoing members were recognized for their contributions, new members were welcomed, and new leadership was elected.

A job well done

Twelve professionals from the financial aid and student lending communities recently completed two-year terms on the advisory committees. TG recognized the following outgoing members for their commitment, insight, and support:

- Janet Barger – ATLE representative
- Marcus Wilson – TASFAA representative
- Margie Angell – Texas Independent Bank
- Carolyn Cunningham – University of North Texas
- Delinda Hall – LeTourneau University
- Earl Hudgins – Texas Tech University
- Pat Jost – Concordia University
- Jim Lane – University of Houston
- Carolyn Mallory – University of Houston – Victoria
- Fred Markham – Central Texas Higher Education Authority
- Jimmy Parker – Panhandle-Plains Student Loan Center
- Laurie Rosenkrantz – University of Dallas
- Paul Wright – Compass Bank

“We very much appreciate the efforts of the Lender and School Advisory Committees,” said Kim Alexander, TG’s Vice President for Customer Focus. “We can’t thank them enough for their continuous commitment in representing postsecondary education institutions, lenders, secondary markets, and servicers of the FFELP community and in advising TG on industry issues. We look forward to their advice and support in the future in order to continue improving the financial aid process for all parties involved.”

New faces and leadership

As a new year for the Lender and School Advisory Committees gets underway, TG is pleased to welcome the following financial aid and student lending professionals to new two-year terms:

- Ronny Barnes – ATLE representative
- Linda Gonzalez -Hensgen – TASFAA representative
- Janet Barger – Citibank
- Julia Benz – Rice University
- Dean Carpenter – Texas Wesleyan University
- Oscar Garcia – Bank of America
- Carolyn Houston – MTI
- A. D. James – Prairie View A&M

- Barbara Kelly – Frost Bank
- Karen Krause – University of Texas – Arlington
- Raul Lerma – University of Texas – El Paso
- Lynda McKendree – University of Houston - Clear Lake
- Richard Michael – Educaid
- Joe Pettibon – Texas A&M University
- Rhonda Summerbell – University Federal Credit Union
- Debra Wilkison – Collin County Community College District

During their meeting at TG, the Lender and School Advisory Committees elected new leadership. Lyn Wheeler of Angelo State University was chosen to serve as school co-chair. Patricia Beard of COSTEP was voted lender co-chair.

More information

More information about the Lender and School Advisory Committees, including meeting agendas and charters, is available on *TG Online* at www.tgslc.org/lisa/index.cfm. If you have questions about the committees, please contact Sheila Casey at (800) 252-9743, ext. 4576, or send an e-mail message to sheila.casey@tgslc.org.

Common Manual

New training brief highlights features of *Integrated Common Manual*

Are you getting the most out of the monthly *Integrated Common Manual*? Find out by reviewing the latest tips and tricks from the *Common Manual* Policy Committee at www.tgslc.org/resources/cm_training.cfm. The group's latest training brief lists the features that can make your policy research quicker and easier when using the *Integrated Common Manual*.

You can access or download the current version of the *Integrated Common Manual* from *TG Online* at www.tgslc.org/resources/integrated_online_manual.cfm.

TG hopes that you are finding the training briefs useful. If you have any comments or suggestions on the briefs, please contact Michelle Anderson, TG senior policy advisor and a member of the *Common Manual* Policy Committee, at michelle.anderson@tgslc.org or (800) 252-9743, ext. 4608.

Legislative update

The November 25 issue of TG's *Legislative Report* includes updates on HEA reauthorization and student aid bills in Congress, FY 2004 appropriations, and a recent hearing of the Texas Legislature's Interim Joint Committee on Higher Education. Keep up with the latest developments by reading the full report on *TG Online* at www.tgslc.org/lege_report/index.cfm.

This, that, and the other

For families with high school seniors preparing for college, December is a big month. There are admissions and scholarship applications to complete and financial aid forms to request. Each week, TG helps families and college-bound students stay on course with AIEmail. AIEmail offers hints and tips geared to each grade level. Parents who subscribe get their own information, too, and can find out what their students are learning at the same time.

Spread the word! AIEmail delivers informative weekly messages straight to personal e-mail addresses. Families and students can subscribe online at www.aie.org/aiemail/subscribe.cfm.



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To ask questions about *Shoptalk Online*, please contact Communications at (800) 252-9743, ext. 4732 or communications@tgslc.org.

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