

**§ 682.210 [Amended]**

■ 10. Section 682.210 is amended in paragraph (c)(5), by adding the word “or” after the first occurrence of the word “internship”.

■ 11. Section 682.211 is amended by:

■ A. In paragraph (a)(4), removing the reference to “(f)(9)” and adding, in its place, the reference to “(f)(10)”.

■ B. Revising paragraph (f)(3).

■ C. In paragraph (f)(4), removing the period and adding, in its place, a semi-colon.

■ D. In paragraph (f)(7), removing the word “or” after the semi-colon.

■ E. In paragraph (f)(8), removing the period and adding, in its place, a semi-colon.

■ F. In paragraph (f)(9), removing the figure “45” and adding, in its place, the figure “60”; and removing the period and adding, in its place, a semi-colon.

■ G. In paragraph (f)(10), removing the period at the end of the last sentence and adding, in its place, “; or”.

The revision reads as follows:

**§ 682.211 Forbearance.**

\* \* \* \* \*

(f) \* \* \*

(3) For the period beginning when the borrower entered repayment without the lender’s knowledge until the first payment due date was established;

\* \* \* \* \*

**§ 682.213 [Amended]**

■ 12. Section 682.213 is amended, in the first sentence, by removing the word “principle” and adding, in its place, the word “principal”.

■ 13. Section 682.302 is amended by revising paragraph (b)(1) to read as follows:

**§ 682.302 Payment of special allowance on FFEL loans.**

\* \* \* \* \*

(b) \* \* \*

(1) Except for nonsubsidized Federal Stafford loans disbursed on or after October 1, 1981, for periods of enrollment beginning prior to October 1, 1992, FFEL loans that otherwise meet program requirements are eligible for special allowance payments as provided in paragraphs (b)(2), (b)(3), and (e) of this section.

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**§ 682.401 [Amended]**

■ 14. Section 682.401 is amended by:

■ A. In paragraph (b)(6)(i), removing the reference to “§ 682.600” and adding, in its place, the reference to “§ 668.14(a)”.

■ B. In paragraph (e), in the introductory sentence, removing the word “be” and adding, in its place, the word “not”.

**§ 682.402 [Amended]**

■ 15. Section 682.402 is amended by:

■ A. In paragraph (k)(5)(i), removing the word “dies” and adding, in its place, the word “died”.

■ B. In paragraph (r)(1), in the first sentence, removing the word “as” and adding, in its place, the word “has”.

■ 16. Section 682.405 is amended by revising paragraph (b)(3) to read as follows:

**§ 682.405 Loan rehabilitation agreement.**

\* \* \* \* \*

(b) \* \* \*

(3) An eligible lender purchasing a rehabilitated loan must establish a repayment schedule that meets the same requirements that are applicable to other FFEL Program loans made under the same loan type and provides for the borrower to make monthly payments at least as great as the average of the 12 consecutive monthly payments received by the guaranty agency. The lender must treat the first payment made under the 12 consecutive payments as the first payment under the applicable maximum repayment term, as defined under § 682.209(a) or (h). For Consolidation loans, the maximum repayment term is based on the balance outstanding at the time of loan rehabilitation.

**§ 682.410 [Amended]**

■ 17. Section 682.410(c)(1)(i)(B) is amended by removing the words “as defined in § 682.800(d)”.

**§ 682.415 [Amended]**

■ 18. Section 682.415 is amended by:

■ A. In paragraph (c)(2)(i), removing the reference to “§§ 682.410(b)(6)(i) through (xii)” and adding, in its place, the reference to “§§ 682.410(b)(6)(i) through (vi)”.

■ B. In paragraph (c)(4), in the first sentence, removing the reference to “§§ 682.410(b)(6)(i) through (xii)” and adding, in its place, the reference to “§§ 682.410(b)(6)(i) through (vi)”.

■ C. In paragraph (c)(6)(i), in the first sentence, removing the reference to “§§ 682.410(b)(6)(i) through (xii)” and adding, in its place, the reference to “§§ 682.410(b)(6)(i) through (vi)”.

■ D. In paragraph (d)(1), removing the reference to “§§ 682.410(b)(6)(i) through (xii)” and adding, in its place, the reference to “§§ 682.410(b)(6)(i) through (vi)”.

**§ 682.505 [Amended]**

■ 19. Section 682.505 is amended by:

■ A. Revising the paragraph immediately after paragraph (b), by adding “(c)” before the heading “FISL loans—insurance premium calculation.”.

■ B. Revising the paragraph immediately after paragraph (e)(2)(ii), by adding “(f)” before the heading “Collection from borrowers.”.

**§ 682.603 [Amended]**

■ 20. Section 682.603(e) is amended, in the introductory sentence, by removing the word “student” and adding, in its place, the word “borrower”.

■ 21. Section 682.604 is amended by:

■ A. Revising paragraph (b)(2)(i).

■ B. In paragraph (d)(4), revising the introductory sentence.

■ C. In paragraph (g)(2)(iv), removing the reference to “paragraph (f)(2)” and adding, in its place, the reference to “paragraphs (f)(2)(i) through (f)(2)(iv)”.

The revisions read as follows:

**§ 682.604 Processing the borrower’s loan proceeds and counseling borrowers.**

\* \* \* \* \*

(b) \* \* \*

(2) \* \* \*

(i) Except in the case of a late disbursement under paragraph (e) of this section or as provided in paragraph (b)(2)(iii) or (iv) of this section, a school may release the proceeds of any disbursement of a loan only to a student, or a parent in the case of a PLUS loan, if the school determines the student has continuously maintained eligibility in accordance with the provisions of § 682.201 from the beginning of the loan period for which the loan was intended.

\* \* \* \* \*

(d) \* \* \*

(4) If the school is unable for any other reason to document that a registered student attended school during the period of enrollment for which the loan is made, the school must determine the student’s withdrawal date as required under § 682.605, and by the deadline described in § 682.607(c), shall notify the lender of the student’s withdrawal, expulsion, or failure to attend school, if applicable, and return to the lender—

\* \* \* \* \*

**PART 685—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM**

■ 22. The authority citation for part 685 continues to read as follows:

**Authority:** 20 U.S.C. 1087a *et seq.*, unless otherwise noted.

**§ 685.102 [Amended]**

■ 23. Section 685.102(b)(2)(i)(A) is amended to revise the definition of “Estimated financial assistance” by removing the words “Direct PLUS Loan amounts” and adding, in their place, the words “PLUS loan amounts”.