



DIRECT DEBIT AGREEMENT (rev. 02/07/07)

Borrower Name Social Security #
( )
Daytime Phone E-mail Address

I hereby authorize Xpress Loan Servicing (XLS) to initiate direct debit (withdrawals) entries to the account indicated below through the bank or financial institution named herein to debit that account on my behalf.

NOTE: XLS must receive at least seven (7) days advance notice prior to your date due in order to suspend the deduction of a direct debit payment from the account you have provided.

This Direct Debit authority shall to remain in full force and effect until all amounts payable to XLS on behalf of your lender are paid in full or until you revoke this agreement in writing to XLS.

Signature Date
(Borrower and individual whose name is on the checking/savings account, if different from the borrower.)

Payment information:

Financial Institution Name (Bank Name) Phone Number
Name on Checking/Savings Account Bank Account Number

ABA/Routing Number

- Checking (attach a voided check from this account) OR
Savings (attach a deposit slip from this account)

If you would like an amount debited in addition to your monthly installment amount, see below:

NOTE: Monthly installment amounts can change for many reasons, including interest rate changes, an increase in the principal balance, and changes in the repayment schedule type. If the monthly installment amount changes, XLS will continue to debit the additional amount unless you notify us.

Yes, I would like \$ to be debited in addition to my monthly installment amount.

Continue paying by check until you have received confirmation that your Direct Debit process has been activated.

Other Options:

- I wish to cancel my Direct Debit Agreement previously on file.
I wish to cancel my Direct Debit Agreement previously on file and change it to the account listed above.

Please return completed form to: Xpress Loan Servicing, Direct Debit, P.O. Box 94553, Cleveland, Ohio 44101-4553



## Electronic Funds Transfer Agreement and Disclosure Statement for recurring debit entry payments

### A. Preauthorized Recurring Debit Entry Service

Xpress Loan Servicing (XLS) will electronically transfer funds to the student loan account(s) of your designation.

### B. The Type and Nature of Electronic Funds Transfer

Each preauthorized electronic funds transfer to the student loan account(s) of your designation will be made monthly on the due date of the student loan payment(s) in question in an amount equal to your monthly student loan installment amount you request by way of this Agreement. You have the right to receive documentation concerning all electronic funds transfers.

### C. In Case of Errors or Questions About Your Electronic Funds Transfer

All questions about electronic funds transfers made under this Agreement must be directed to XLS and not to the bank or other financial institution where you have your checking or savings account. XLS is responsible for the electronic funds transfer and for resolving any errors associated with the transfers. You may contact XLS in writing at Xpress Loan Servicing, Direct Debit, P.O. Box 94553, Cleveland, OH 44101-4553, by phone at 888-811-7101, or by e-mail at customerservice@xlservicing.com.

If you believe there are errors with a transfer or if you have questions about a transfer, contact XLS as soon as possible. XLS must hear from you no later than sixty (60) days after you have been sent the first bank statement on which the alleged error appeared. In communicating with XLS, you must at a minimum:

1. Provide your name, student loan account number(s) and checking or savings account number.
2. Describe the alleged error or the transaction about which you are unsure, and explain why you believe there is an error or why you need more information.
3. Provide the dollar amount of the suspected error or unauthorized transfer.
4. Provide to XLS a complete bank statement or letter from your financial institution as evidence of the alleged error.

If you contact XLS by phone, you may be required to submit your complaint or question in writing at the address listed above within ten (10) business days following the phone conversation. XLS will determine whether an error occurred within ten (10) business days following receipt of your notice regarding the alleged error or question and will correct any error promptly. If XLS needs more time, however, it may take up to forty-five (45) days to investigate the alleged error or questions. If XLS decides it will need more than ten (10) days to investigate the alleged error or questions, it will credit your checking or savings account within ten (10) business days of the receipt of your complaint or inquiry, for the amount you allege is in error, so that you will have use of the money during the time it takes XLS to complete its investigation. Please note this will not negate your responsibility to make payments on your student loan(s) as required by the terms and conditions of your promissory note(s) during the investigation. If XLS requests that you submit the alleged error or question in writing and it does not receive the alleged error or question in writing within ten (10) business days, XLS may at its discretion not credit your bank account. XLS will notify you of the results of its investigation within three (3) business days after completing its investigation. If XLS decides that there was no error, it will send you a written explanation. You may ask for copies of the documents that XLS used in its investigation.

### D. Your Liability for Unauthorized Transfers Arising From This Agreement

If you believe that someone has transferred or may transfer money without your permission from your bank account in violation of your directions to XLS under this Agreement, call XLS at 1-888-811-7101 or write to XLS at Xpress Loan Servicing, Direct Debit, P. O. Box 94553, Cleveland, Ohio 44101-4553. XLS's business days of operation are Monday through Friday.

Contact XLS immediately if you suspect an unauthorized electronic funds transfer. A prompt telephone call is the best way to minimize your potential loss.

If you contact XLS within (2) business days of the unauthorized transfer you can lose no more than \$50.00 if an unauthorized transfer has occurred. If you DO NOT contact XLS within two (2) business days after you learn of the unauthorized transfer, and if XLS may prove that it could have stopped someone from transferring funds without your permission if you had told XLS sooner, you could lose as much as \$500.00. In addition, if your statement shows preauthorized electronic funds transfers to XLS that you did not make, contact XLS immediately. If you do not contact XLS within sixty (60) days after the bank statement was mailed to you, you may not get back any money you lost after the sixty (60) days if XLS may prove that it could have prevented someone from making unauthorized electronic funds transfers if you had contacted XLS about an unauthorized transfer, XLS may at its sole discretion extend the time periods mentioned above.

### E. How to Stop Preauthorized Electronic Funds Transfer

If you have preauthorized XLS to make regular electronic funds transfers from your bank account towards your student loan(s), you may stop these payments by providing timely notice to XLS. You must call or write to XLS in time for XLS to receive the request to stop the transfer seven (7) business days or more before the transfer is scheduled to be made. If you contact XLS by phone, XLS will also require you submit your request in writing within fourteen (14) calendar days from the date of your call. A request to stop a transfer will only stop a single transfer to your student loan(s); your preauthorized electronic funds transfers will resume the following month. You will be responsible for making all monthly payments on your student loan(s) that you have canceled. If you want all preauthorized electronic funds transfers to stop, then you must inform XLS in writing. If XLS receives your request to stop a preauthorized electronic funds transfer seven (7) business days or more before the transfer was scheduled to be made and XLS fails to stop the transfer, it may be liable only for your damages, not to exceed that amount of the transfer in question, unless its failure to stop the transfer was due to circumstances beyond its control.

### F. If XLS Fails to Make A Transfer

If XLS does not complete a transfer from your bank account on time or in the correct amount according to your directions as established by this Agreement, it will be liable for your losses or damages. However, there are some exceptions to this rule. XLS shall not be liable:

1. If, through no fault of XLS, you do not have enough money in your bank account to make the transfer; or
2. If the transfer would result in you exceeding the credit line on your overdraft line of credit, if any; or
3. If, through no fault of XLS, the information for preauthorized electronic funds transfer is not received as scheduled; or
4. If the money in your bank account is subject to legal process other than encumbrances; or
5. If circumstances beyond XLS's control, such as fire, flood, power or computer failure, prevent the transfer despite reasonable precautions XLS has taken.
6. There may be other exceptions not mentioned here.

### G. Privacy

XLS may disclose information to third parties regarding your bank account, your student loan account(s), and/or the transfers that you authorize to your student loan account(s) under the following circumstances:

1. Where it is necessary for completing a transfer; or
2. In order to comply with criminal justice agencies' requests, subpoenas, lawful discovery under federal or state rules of civil and criminal procedures or court orders; or
3. If you give XLS written permission to do so.

### H. Other Agreements and Assignments

Preauthorized electronic funds transfers are subject to all charges, rule and regulations governing debits to accounts and all other agreements and disclosures for checking, savings, and overdraft line of credit accounts, and are subject to any future charges. XLS will give you at least twenty (20) days prior notice of any charges that increase your expenses or limit your use of this service.

### I. Termination, Changes, and Adjustments

XLS reserves the right to make changes to this Agreement or assign the obligation to process transfers at any time. XLS may terminate preauthorized electronic funds transfer services without cause, and you may permanently terminate this Agreement at any time by giving sufficient written notice as indicated above. XLS has the option in its sole discretion to terminate or cancel this Agreement for the foregoing reasons if there are ever more than three non-consecutive instances of insufficient funds in your checking or savings account within 12 months preventing the payment of your student loan(s). Changes to your bank information including, but not limited to, your ABA /Routing Number or your checking/savings account number, must be submitted in writing to allow sufficient time for processing.

### J. Authorization and Agreement

I hereby authorized XLS to initiate preauthorized electronic funds transfers to the student loan account(s) indicated from the bank or financial institution named pursuant to the terms and conditions set forth herein and as may be modified from time to time. I have read, understand, and agree to be bound by all of the terms and conditions of this Agreement. I further agree that, if I default on my student loan(s) or consolidate my student loan(s), I will forfeit any interest rate reduction that may have been offered by my lender and the interest rate in accordance with my promissory notes(s) shall be in full effect. My authorization for the preauthorized electronic funds transfers to my designated student loan(s) shall remain in full force and effect until terminated by XLS or revoked by me pursuant to the terms and conditions of this Agreement.