

Automatic Bank Draft Request

Automatic Bank Draft can save you time and money by electronically transferring your payment to us! With Automatic Bank Draft, you will:

- Eliminate check service charges, paying additional interest or fees for late payments, and postage; and
- Qualify for our QuarterBacksm program and receive a .25% interest rate reduction on your Stafford, Consolidation, Parent PLUS, Graduate/Professional PLUS, SC Teachers, or PAL Loan during repayment.

To Begin Automatic Bank Draft:

- Complete this form, and return it to SC Student Loan. Please print your information clearly in blue or black ink.
- You will be notified when your first bank draft will occur, so please continue to pay your bill until further notification. (Please allow up to six weeks for your draft to begin.)
- You will continue to receive a paper monthly statement unless you sign up for Electronic Bill Presentment and Payment (EBPP) on our website at www.scstudentloan.org. You may also view your statement on our website.
- If you are using a credit union or savings account for your automatic draft, please verify your ABA Routing Number and Account Number with your banking institution.
- If you close your checking account, need to change bank account information, cancel your draft, or change the amount drafted, notification of at least 5 business days prior to your next payment due date is required.

Please see the reverse side of this form for frequently asked questions.

Section 1: SC Student Loan (SCSL) Borrower Information

SCSL Borrower Full Name: _____

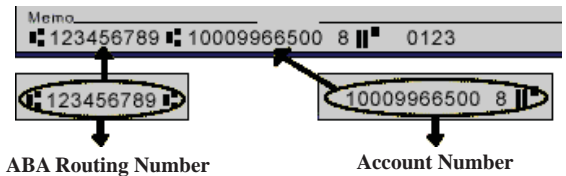
SCSL Account Number: _____ Phone Number: _____

Section 2: Financial Institution Information

This is a (check one): Checking Account Savings Account

ABA Routing Number: _____

Account Number: _____



Section 3: Financial Institution Account Holder Information and Authorization (individual whose account will be drafted)

Financial Institution Account Holder(s): _____
Full Name Joint account holder's full name if applicable

Withdraw Amount (check one): Regularly scheduled payment amount Other _____
(cannot be less than regularly scheduled payment amount)

* Your account will be drafted on your regularly scheduled payment due date.

Until further written notice from me, I authorize SC Student Loan to: (1) debit my bank account on my payment due date each month to collect my educational loan payment(s), and (2) if I have past due payments at the time the requested debit begins, to grant me a forbearance for all such past due payments. During a period of forbearance, interest continues to accrue and must be paid or capitalized. Capitalizing interest means that the interest will be added to the principal balance of the loan and may raise my monthly payment amount after the forbearance expires. By my signature, I certify that I understand and agree that at the end of my forbearance period all outstanding interest will be capitalized. I further understand that my automatic draft will be stopped should I be granted a forbearance or deferment once the debit has begun. I will notify SC Student Loan if I wish to continue drafting my payments while on deferment or forbearance. Any other loans going into repayment or any payment increases will automatically be drafted.

SC Student Loan Borrower Signature Date

Financial Institution Account Holder's Signature Date

Financial Institution Joint Account Holder's Signature (if applicable) Date

Frequently Asked Questions

If my account has a deferment or forbearance, will the bank draft continue?

No. Your bank draft is automatically cancelled. If you wish to continue your draft during periods of deferment or forbearance (in some circumstances) or wish to reinstate your draft after the completion of your deferment or forbearance, please call or email SC Student Loan with your request.

Can I sign up for bank draft if my account is delinquent?

Yes. Complete the bank draft application and mail it to us to begin the process. You will be notified when your first draft will occur.

What if I have a new loan entering repayment?

If you have a new loan entering repayment and currently have a bank draft in place, the new higher payment will automatically be drafted.

If I choose a new repayment plan, will my draft amount adjust automatically?

Yes. Your bank draft will be automatically adjusted to your new payment amount.

What will happen if I have insufficient funds in my bank account?

Your bank will notify us of an NSF and then we will send a letter advising you to remit that month's payment another way. If the draft is dishonored or returned, a \$25 fee will be added to your student loan account. This fee may periodically increase without notice. You will be taken off of Automatic Bank Draft if the draft is dishonored or returned more than two times.

How do I make changes to my automatic bank draft?

Call or email SC Student Loan at least 5 business days prior to your next payment due date.

If I want to cancel my bank draft, how quickly will it be cancelled?

Notify SC Student Loan at least 5 business days prior to your next payment due date is required.

* SC Student Loan reserves the right to alter, suspend or terminate benefits at any time. Some conditions and/or restrictions may apply to benefit programs. For loans consolidated through another lender, any credits or rebates given by SC Student Loan will be revoked and added to the principal balance owed.