



### **Information and Instructions for the Authorization for Electronic Payment**

Student loan borrowers may arrange for their monthly loan payments to be automatically deducted from their bank checking accounts. This is a free service available only with banks in the United States.

#### **Important Information:**

- There can be only one active electronic payment authorization per loan account.
- Electronic payments will be withdrawn on the 20<sup>th</sup> of the month. If the 20<sup>th</sup> falls on a weekend or bank holiday the account will be debited on the first business day following the 20<sup>th</sup> of the month.
- The Checking Account Owner will receive a confirmation email when the Authorization for Electronic Payment has been activated.
- After the first month, the Checking Account Owner will receive a monthly payment notification email prior to the 20<sup>th</sup> of each month where there is an amount due, indicating the amount to be deducted for that month.
- If the Checking Account Owner is not the Borrower, the Borrower will be copied on all emails sent to the Checking Account Owner since it is the Borrower's responsibility to pay any amounts due on their student loan account.
- Electronic payments will only be initiated in months when there is an amount due.
- Monthly payments can fluctuate due to grace period expiration, deferment, forbearance, capitalized interest, special payment arrangements, different loan terms, returned payments, etc. The specific amount to be deducted will be included in the monthly payment notification email.
- A processing charge of \$25 will be assessed to the student loan account when a payment is returned from the Checking Account Owner's bank for any reason.
- The authorization remains active until the Checking Account Owner notifies the Student Loan Billing and Payment Office, in writing, to terminate the authorization.
- All changes to the checking account information must be submitted on a new Authorization for Electronic Payment accompanied by a voided check.

#### **Instructions for completing the Authorization for Electronic Payment:**

- The Borrower must complete the Borrower Information section completely. An email address is required for notification purposes.
- A voided check must be attached to the Authorization for Electronic Payment.
- The Checking Account Owner must select either Billed Amount, which is stated on the monthly billing statement as "Amount Due Now", or Other Monthly Amount as the monthly deduction. If Other Monthly Amount is selected and it is less than the required monthly payment, the Borrower will be responsible for any remaining amount due.
- The Checking Account Owner must sign the Authorization for Electronic Payment as well as provide an email address.
- The form, along with a voided check, must be mailed to:

Yale University  
P. O. Box 208338  
New Haven, CT 06520-8338

