

Repayment Agreement Under the Loan Rehabilitation Program

Borrower's Name (please print clearly):

_____ , _____

Borrower's Account Number:

This letter confirms my acceptance into the loan rehabilitation program and my agreement to repay my defaulted Federal Family Education Loan (FFEL) Program student loans held by United Student Aid Funds, Inc.. I understand that compliance with this agreement is a prerequisite to the sale of my loans to the authorized, approved lender.

Please check the appropriate paragraph:

I understand that I must make at least nine (9) qualifying payments within a ten (10) month period in the agreed amount of \$ _____, with a beginning due date of _____, with each payment due on the same day each month thereafter. I must make the full payments in the agreed amount within twenty (20) days of their monthly due dates over a ten (10) month period. If I fail to make the required number of on-time payments over a ten (10) month period, then I will need to begin a new series of agreed-upon payments in order to qualify for rehabilitation of my loans.

I am currently making payments. I understand that these payments, if timely, will be included in the calculation of the required nine (9) qualifying payments. I will continue to meet my established due date that begins on _____, with each payment being due on the same day each month thereafter. mm/dd/yyyy

We encourage you to participate in the program and take advantage of the opportunity. We are providing you with the following terms and conditions:

- (1) I understand that this agreement is null and void if I do not honor the terms of this agreement by making nine (9) payments of at least the required amount within a 10-month period. The 10-month period will begin with the month in which the first required due date falls and will end with the ninth calendar month following that month. Each payment must be received within twenty (20) days of the established due date. Should this not happen, I will need to begin a new series of agreed-upon payments in order to qualify for rehabilitation of my loan(s).
- (2) I may object verbally or in writing to the rehabilitation terms outlined in this form by contacting Financial Asset Management Systems, Inc. at 1-877-291-2646 or in writing, to the address listed on this letter.
- (3) After the nine (9) qualifying payments have been made, the loan may be considered for purchase by an eligible lender to complete the loan rehabilitation. I understand that I must continue to make payments to United Student Aid Funds, Inc. beyond the required minimum period until I am notified in writing by United Student Aid Funds, Inc. or my new lender that the sale has been completed and that I am to begin making payments directly to my lender.
- (4) After the sale of my loan(s), any payments made to United Student Aid Funds, Inc. will be forwarded to my lender for credit to my account. Any involuntary payment (treasury offset) or payments on file will be refunded to me at the address on my billing statement.

- (5) Once my loan is removed from default, United Student Aid Funds, Inc. will notify the consumer reporting agencies to delete the derogatory trade line they reported. In addition, the previous lender that reported this loan as defaulted will be notified to remove the default status from my credit history. I understand, however, delinquencies (late payments) reported before the loan defaulted will not be removed.
- (6) Once my loan(s) is rehabilitated, I can apply for additional financial aid if I wish to return to school. I may also apply and may be eligible for future deferment and forbearance on the rehabilitated loan(s).
- (7) I understand that, a defaulted loan may only be rehabilitated one time.
- (8) My new lender will establish a new due date and will calculate a new monthly payment amount based upon the balance owed at the time of sale. The payment amount required by the new lender may be different (higher or lower) than the payment required under the rehabilitation agreement.
- (9) I understand that collection costs in the amount of 16% will be added to my loan's unpaid principal and accrued interest at the time of the sale to the new lender.
- (10) I may be able to request an adjustment in my payment amount due to a change in my total financial circumstances by contacting Financial Asset Management Systems, Inc. at 1-877-291-2646 or in writing, to the address listed on this letter. I understand that I may be required to provide new financial information in order to support my request.
- (11) I understand that this agreement is null and void if I file for bankruptcy during the rehabilitation cycle, unless written approval and instruction to continue the rehabilitation process is provided to United Student Aid Funds, Inc. by the bankruptcy trustee.
- (12) I understand that if I am currently in Administrative Wage Garnishment:
 - (a.) Unless otherwise directed by me, Financial Asset Management Systems will instruct my employer to suspend future garnishment payments after I have made five (5) voluntary, qualifying payments under this rehabilitation agreement.
 - (b.) Any AWG payments received from my employer after I have made five (5) voluntary, qualifying payments will be refunded directly to me.
 - (c.) My employer will be notified to reinstate AWG if at any time, I fail to maintain the required payment schedule that has been established under this agreement.
 - (d.) I am only eligible one time for benefit of suspension of Administrative Wage Garnishment.
 - (e.) Suspension of Administrative Wage Garnishment will not occur if I have not returned all required documents and no garnishment payments received prior to receipt of all required documents will be refunded.
- (13) I understand that this agreement will become null and void if either:
 - (a.) I fail to sign and return this rehabilitation agreement within the timeframe I have been instructed and/or,
 - (b.) If I am required but fail or refuse to provide proof of my adjusted gross income, family size, or other required income and expense documentation within 12 months of the first payment due date.

To participate in the loan rehabilitation program and take advantage of the benefits above we must receive this completed form back with your signed approval. Once we receive this form with your signature, and you have made nine (9) on-time, qualifying payments, your loan(s) will be considered for loan rehabilitation. If the loan(s) is rehabilitated, we will notify you once the loan rehabilitation is complete.

Signature: _____

Date: _____
mm/dd/yyyy

Printed Name: _____ , _____

Social Security Number: _____