Question and Answer Guide to Credit Card Payments

CAMPUS PARTNERS

Question and Answer Guide to Credit Card Payments

1. **Why is Campus Partners offering a credit card payment option through www.mycampusloan.com?**
   Campus Partners decided to offer this payment option to borrowers through www.mycampusloan.com at the request of many of our customers. Customers will also be able to assist borrowers with making payments through System 3*i*. Many schools see this option as a means for borrowers to make an emergency payment so their payment arrives on time, thus avoiding a hefty late charge and/or negative credit reporting.

2. **I don't want to offer credit card payments to my borrowers. How do I opt out?**
   Campus Partners recognizes that not all customers will want to offer this option to their borrowers. You do not have to opt out because the decision to accept credit card payments via the Web is up to you. Schools that wish to offer that option will have to sign an authorization form to opt in.

3. **Is there a fee associated with the use of credit card payments?**
   Yes. A 3% processing fee will be added to each payment amount. This fee can be absorbed by the institution or passed along to the borrower. You decide which fee assignment method you prefer.

4. **Which credit cards will be accepted?**
   If you opt to pay the 3% processing fee, we will offer MasterCard, Visa, and Discover payment options to your borrowers. If you opt to have the processing fee passed along to your borrowers, we will only be able to offer MasterCard and Discover payment options.

5. **How will borrowers know that they can make a credit card payment?**
   At your request, we can print a notice on your borrowers' billing statement informing them that the credit card payment option is available to them. When a borrower logs on to mycampusloan.com and selects the Pay My Loan link, they will see a list of payment options available to them, including paying by credit card.

6. **Can my borrowers make a payment with a debit card?**
   If your borrower has a debit card with the MasterCard or Visa logo, they will be able use the card to make a payment through the Web. Although the money is coming from the borrower's checking account, the card will be read as a credit card, and the servicing fee will be accessed. If the debit card does not have a MasterCard or Visa logo, the card would require input of a PIN number and the borrower would not be able to use it to make a payment.

7. **If I choose to make credit card payments available to my borrowers, can you take payments over the phone?**
   Yes. Borrowers will be able to call our office to make a credit card payment. Our staff has been trained to adhere to Payment Card Industry (PCI) standards when taking credit card payments. Our online process will also be in compliance with PCI Standards.

8. **What are PCI standards and will you be in compliance with them?**
   PCI standards are security measures mandated by all major credit card companies to ensure that consumer credit card information is not compromised. We will be in compliance with these standards before we offer the credit card option to our customers.

9. Will you be storing credit card information on your Web sites and System III?
We will not be storing credit card information about your borrowers on our Web sites or System III. Once the payment is processed, the number will be deleted.

10. Will I be able to assist borrowers in making credit card payments?
Just as you can assist borrowers in making a one-time ACH payment from their checking or savings account through System 3*i*, you can assist borrowers in making a credit card payment.

11. When can I sign up to allow my borrowers to use a credit card to make a payment via mycampusloan.com?
We have tested this option thoroughly and are currently offering it to a small group of customers who have agreed to serve as beta test partners. Beta test partners will be able to offer this option to their borrowers in August. We anticipate that this option will be available to all customers in September.
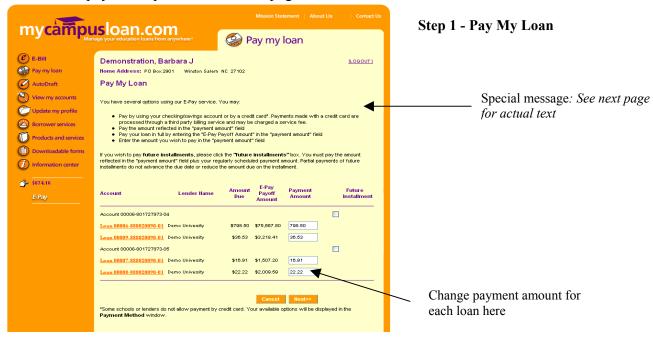
12. How can I sign up for this service?
You can download an authorization form from the **Forms** page of campuspartners.com. You can also contact your Account Manager or Customer Service Representative for more information or to obtain a *Credit Card Payment Authorization Form.*

If you are interested in more details about the credit card payment option, please consult the following questions and answers. Complete details about electronic payment options are available in the "Pay My Loan" chapter of the **mycampusloan.com User Guide**.

13. How does a borrower make a credit card payment?
When a borrower logs on to mycampusloan.com and selects the Pay My Loan link, they will see a list of payment options on the first page. Please see the illustration below.

Step 1 - Pay My Loan

Special message*: See next page for actual text*

Change payment amount for each loan here

The following message appears on this page.

"You have several options using our E-Pay service. You may:

- *Pay by using your checking/savings account or by a credit card*. Payments made with a credit card are processed through a third party billing service and may be charged a service fee.*

- *Pay the amount reflected in the "payment amount" field.*

- *Pay your loan in full by entering the "E-Pay Payoff Amount" in the "payment amount" field.*

- *Enter the amount you wish to pay in the "payment amount" field.*

If you wish to pay future installments, please click the "future installments" box. You must pay the amount reflected in the "payment amount" field plus your regularly scheduled payment amount. Partial payments of future installments do not advance the due date or reduce the amount due on the installment."

"*Some schools or lenders do not allow payment by credit card. Your available options will be displayed in the Payment Method window."

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14. What amount is displayed in the Amount Due field?
The **Amount Due** field equals the borrower's minimum payment plus any past due amount. If the loan is in status 41 or 48, the special billing amount is displayed. The **Amount Due** field for loans placed with a collection agency displays as "N/A."

15. Are all loans eligible for E-Pay?
No. Loans with a status higher than "79" are not eligible for **E-Pay** and are not shown. If one account has loans with statuses both above and below 79, then only the loans with a status under 79 will appear.

16. Are loans in collections eligible for E-Pay?
Yes. Borrowers with loans in collections can request an E-Pay transaction. If loans are placed for collection with a collection agency, the **Amount Due** and the **Payment Amount** displays as "**N/A**." Even if **"N/A"** is displayed, the borrower can make an E-Payment. Because the loan is with a collection agency, we do not have access to the amount due, which is set by the collection agency and includes collection costs and accelerated amounts. However, borrowers with loans in collection can make a payment of any amount or they can call the collection agency and find out their amount due.

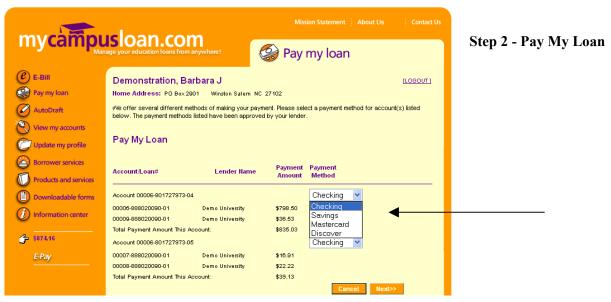**17. Can borrowers increase or decrease their minimum payment?**
Yes. Borrowers can change their payment amount on the **Step 1- Pay My Loan** page illustrated on the previous page.

18. What is the basis of the Payoff Amount listed on this page?
The payoff amount that displays here is the payoff amount for the loan as of the current System III post date. Loans with a collection agency display a **Payoff Amount** as "N/A". Because the loan is with a collection agency, we do not have access to the payoff amount set by the collection agency. As previously stated, borrowers with loans in collection can make an E-Payment.

19. How are credit card options displayed?

After the borrower selects the **Next** button on the **Step 1- Pay My Loan** page, the following page appears. If you have elected to offer the credit card payment option, the name of the credit cards accepted will be displayed along with the options of making a payment coming from the borrower's checking or savings account. If you do not wish to offer the credit card option, only the checking or savings account payment methods will be offered.
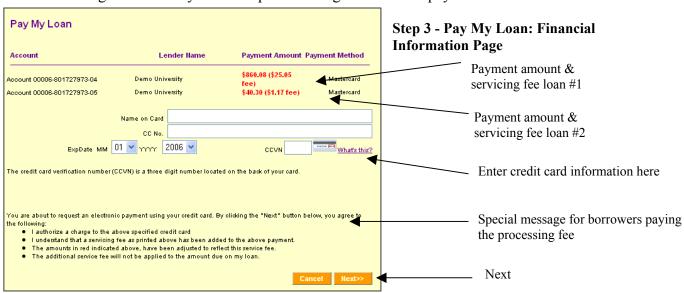

Step 2 - Pay My Loan

20. Can a borrower choose to use multiple payment methods?

If the borrower wants to pay a particular account by credit card, they will select the credit card that they want to use from the drop down menu beside each eligible account. The borrower can choose multiple methods to make an electronic payment. They can pay specific loans via checking or saving account debit or via one or more credit cards. By selecting the **Next** button, the borrower can begin the credit card payment process.

21. What happens next?

The following is a summary of the steps in making a credit card payment.

Step 3 - Pay My Loan: Financial Information Page

Payment amount & servicing fee loan #1

Payment amount & servicing fee loan #2

Enter credit card information here

Special message for borrowers paying the processing fee

Next

In this illustration, the borrower has selected the same E-Pay method for accounts, and the school has also opted to pass the credit card processing fee along to the borrower. If the school is absorbing the processing fee, the servicing fee does not appear. If your school is assuming the cost of the processing fee, the special message will read: *"You are about to request an electronic payment using your credit card. By clicking the "Next" button, you are authorizing a charge to the above specified credit card."*

The borrower will enter the cardholder's name, credit card number, expiration date, and credit card verification number (CCVN) from the back of their card in the appropriate fields. If the borrower selects the **What is this?** link beside the CCVN field, they will see the page illustrated on the right, which will help them identify the CCVN number on their credit card.

The borrower also authorizes the charge to their credit card, agrees to pay the total presented, agrees to pay the servicing fee, and indicates that they understand that the servicing fee will not be applied to the amount due by selecting the **Next** button.

22. What information appears on the Confirmation Page?

After the borrower who is paying by credit card selects the **Next** button, the following confirmation page appears. This page allows borrowers to confirm the accuracy of the information that they entered on the two prior pages. If the information is incorrect, the borrower should use the back button to return to the previous **Financial Information** page.

Pay My Loan-Confirmation page

The confirmation message reads: *"Confirmation - Please verify the information listed below. Payments made from a checking or savings account can be updated up to the time the request is processed.* ***Payments made with a credit card cannot be changed once the Pay Now button has been selected."***

After reviewing this information, the borrower should select the **Terms and Conditions** link. If the borrower agrees to our **Terms and Conditions**, the acceptance box should be checked. (Please see the Terms and Conditions text below.) The borrower can then select the **Cancel** or **Pay Now** button.

CAMPUS PARTNERS
TERMS & CONDITIONS

Paying with Savings/Checking

- I hereby authorize Campus Partners to deduct this one-time payment of my student loan(s) from my account specified at the Financial Institution named in this authorization. Campus Partners will consider this transaction as a pending payment until funds are secured from my Financial Institution.

- I understand that I must allow a minimum of two business days for the transaction to be completed and the payment to be reflected on my student loan account(s).

- I understand that this transaction will be transmitted to my Financial Institution identified as "Education".

- I understand that if Campus Partners is unable for any reason (including, but not limited to insufficient funds or inaccurate information provided by me) to secure funds from my account at the Financial Institution indicated, Campus Partners may undertake collection action including the application of returned check fees to the extent permitted by law.

- I understand that I may request termination of this one-time payment authorization only on the same business day that I submitted the authorization. Requests for termination must be directed to the Campus Partners Customer Support Center at 1-800-334-8609 during normal business hours.

Paying with a Credit Card

- I hereby authorize Campus Partners, acting on behalf of my lending institution, to use a third party servicer to debit my credit card indicated for this transaction.

- I understand that I must allow three business days for Campus Partners to process this request. Completion of this payment transaction is contingent upon both the authorization of payment by my Credit Card Company and acceptance of my payment by the company I am paying.

- I have read, understand and agree to all Terms and Conditions during this credit card transaction.

Important Note: Should this transaction fail for any reason (including invalid account numbers, chargeback, etc.), I understand that additional penalties, fees, and interest may accrue. I understand that I should print a copy of the "Thank You" page and retain it for my records.

After the borrower selects the **Pay Now** link, the **Thank you** page appears. However, if System III detects that erroneous information was entered, the **Financial Information** displays along with a message about the incorrect information. The **Thank you** page will not appear if the transaction was not processed.

23. How are credit card payments noted in history?
System III history will be updated to indicate that the borrower processed a credit card payment. For example, "CC REG PMT PROCESSED 50.00."

24. How do you confirm that a credit card payment can be made?
For credit card payments, when the borrower clicks the **Pay Now** button, we send our credit card vendor a pre-authorization and request for the payment. If the vendor does not approve the request, the borrower is returned to the **Financial Information** page with a message indicating the credit card payment did not go through.

25. What if the borrower changes their mind about the credit card payment?
If the borrower changes their mind before selecting the Pay Now button, they should select the cancel button. After selecting Pay Now, the payment cannot be changed.

26. What information is on the Thank You page?
This page re-caps payment information and thanks the borrower for choosing **E-Pay**. Information about payment processing and a link to our **AutoDraft** page also appears. By enrolling in **AutoDraft**, borrowers can have future payments automatically drafted from their savings or checking accounts on an ongoing basis.

27. Can borrowers sign up to make automatic credit card payments?
No. A borrower cannot sign up to make automatic payments via a credit card. If a borrower wishes to make a credit card payment on an ongoing basis, they must make an online payment each month.

28. When will credit card payments be posted and how will borrowers be informed of this time frame?
Borrowers paying by credit card will see the following message.
"Your request to charge your credit card has been submitted. Please allow at least three business days for us to process this request and apply your payment. During this time additional payment requests cannot be processed."
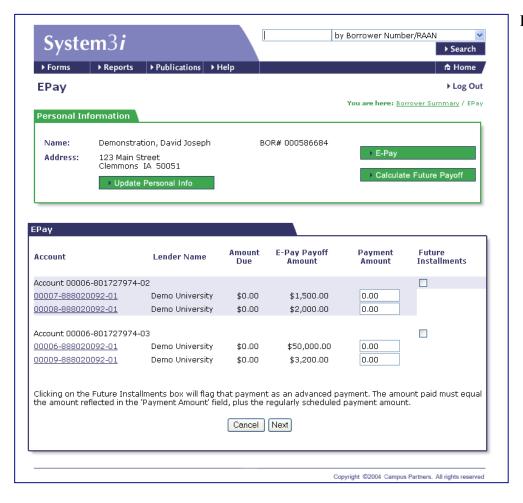
Helping a Borrower Make a Credit Card Payment

29. How can I assist a borrower in making a credit card payment through System 3*i*?
The credit card payment process on System 3*i* mirrors the borrower payment process on mycampusloan.com. If a borrower comes to your office and wants to make a credit card payment, you can assist them. To begin, log on to System 3*i*.

By clicking on the E-Pay navigational link, the you will be linked to the page shown on the next page. Here, you can submit a one-time ACH draft (electronic payment) or charge the loan payment to the borrower's credit card. If you are helping a borrower to make a credit card payment over the phone, you should not write down the borrower's name, credit card number or expiration date on a piece of paper. Please consult your institution's Information Security Policy to avoid compromising your borrower's private financial information.

By keying in a payment amount and selecting **Next**, the administrator can start the process.

E-Pay Page

30. What amount is displayed in the Amount Due field?
The **Amount Due** field equals the borrower's minimum payment plus any past due amount. If loan is in status 41 or 48, the special billing amount is displayed. The **Amount Due** field for loans placed with a collection agency displays "N/A."

31. Are all loans eligible for E-Pay?
No. Loans with a status higher than "79" are not eligible for **E-Pay** and are not shown. If one account has loans with statuses both above and below 79, then only the loans with a status under 79 will appear.

32. Are loans in collections eligible for E-Pay?
Yes. At the borrower's request, you can help a borrower make an **E-Pay** payment on a loan in collection. However, we do not display an **Amount Due** or **E-Pay Payoff Amount** for loans that are placed with a collection agency. We suggest that you verify these amounts with the collection agency handling this account since they are under contract to perform collections and they determine collection costs and other fees for these loans. However, **Amount Due** information for loans in collections is on the Borrower Summary, Account Summary, and Loan Details screens.

33. Can borrowers increase or decrease their minimum payment?
Yes. You can change the payment amount at the borrower's request on the **Step 1- Pay My Loan** page illustrated on the previous page.
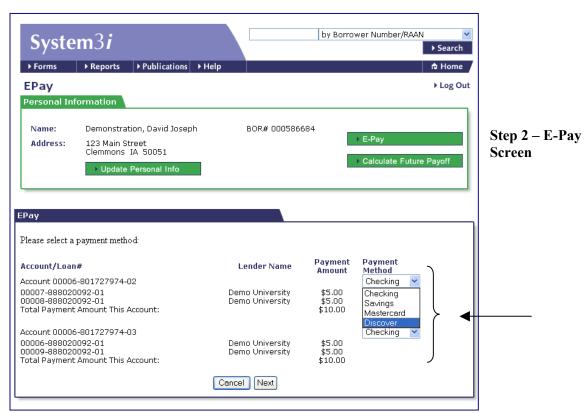
34. What is the basis of the Payoff Amount listed on this page?
The payoff amount that displays here is the payoff amount for the loan as of the current System III post date. Loans with a collection agency display a **Payoff Amount** as "N/A". Because the loan is with a collection agency, we do not have access to the payoff amount set by the collection agency. As previously stated in question 32, borrowers with loans in collection can make an E-Pay payment.

35. How are credit card options displayed?
After selecting the **Next** link from the first **E-Pay** page, the following page displays. From here, you can select the payment method that the borrower would like to use. The payment method choices depend on the options selected by your school.
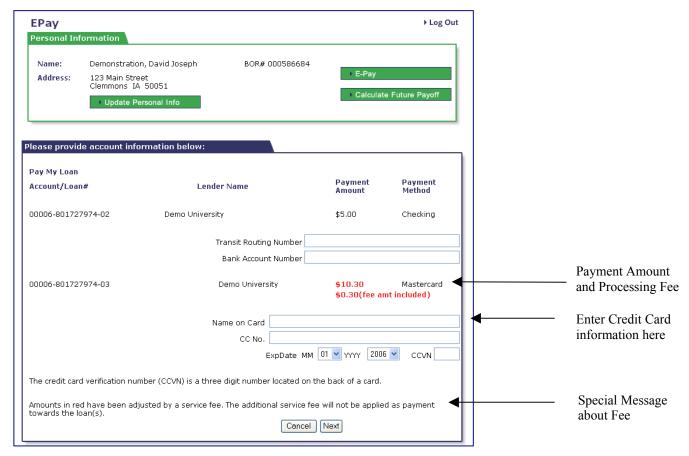
> ➢ If your school does not allow credit card payments as a possible method of payment, then checking or savings account debit will be the only payment method displayed.
> ➢ If your school allows credit card payments and has elected to have the servicing fee for the payments passed back to the borrower, then the payment method displayed will be checking, savings, MasterCard, and Discover.
> ➢ If your school allows credit card payments and has elected to pay the servicing fee for the payments, then the payment method displayed will be checking, savings, MasterCard, Visa, and Discover.

Step 2 – E-Pay Screen

36. Can a borrower choose to use multiple payment methods?

If the borrower wants to pay a particular loan by credit card, you will select the credit card that they want to use from the drop down menu beside each eligible loan. The borrower can choose multiple methods to make an electronic payment. They can pay specific loans via checking or savings account debit or via one or more credit cards. By selecting the **Next** button, you can begin the credit card payment process for the borrower.

E-Pay Financial Information Page

On behalf of the borrower, you should enter the cardholder name, credit card number, expiration date, and credit card verification number (CCVN) from the back of their card in the appropriate fields.

If a service fee is added to the transaction because your school has authorized us to pass the fee back to the borrower, the borrower will see the following message:

> "Amounts in red have been adjusted by a service fee. The additional service fee will not be applied as payment towards the loan(s)."
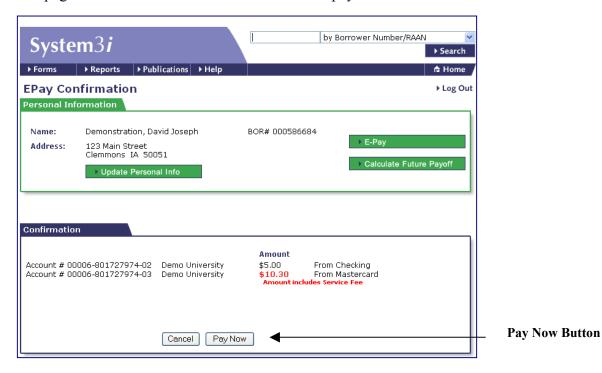
Next

Once the administrator has completed entering in the information needed to initiate a transaction and clicks on the **Next** button, the system will verify the information. If all edit checks are passed, the administrator will see the **Confirmation** screen.
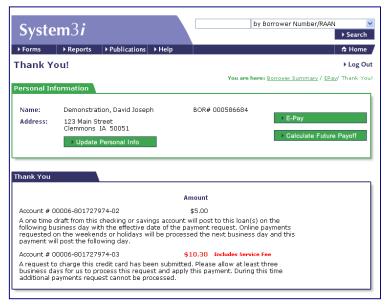
E-Pay Confirmation Page
This page allows the administrator to confirm the payment amount and source of the funds.

Pay Now
After the administrator confirms that the information is accurate, they should select the **Pay Now** button to finalize the payment. If information is incorrect, the administrator should use the back button to return to the **Financial Information** page. If System III detects that erroneous information was entered, the **Financial Information** displays along with a message about the incorrect information. If all of the information is correct, then the **Thank You** page appears.

E-Pay Thank You Page

37. How are credit card payments noted in history?
System III history will be updated to indicate that the borrower processed a credit card payment. For example, "CC REG PMT PROCESSED 50.00."

38. How do you confirm that a credit card payment can be made?
When you click the **Pay Now** button, our credit card vendor receives a pre-authorization and request for the payment. If our vendor does not approve the request, the loan administrator is returned to the **Financial Information** page, where a message indicating the credit card payment did not go through appears.

39. What if the borrower changes their mind about the credit card payment?
If the borrower changes their mind before you select the **Pay Now** button, just select the **Cancel** button. After selecting **Pay Now**, the payment cannot be changed.

40. What information is on the Thank You page?
This page re-caps payment information and thanks the user for choosing **E-Pay**.

41. Can borrowers sign up to make automatic credit card payments?
No. You cannot sign a borrower up for automatic credit card payments. If a borrower wishes to make a credit card payment on an ongoing basis, they must make an online payment each month.

42. When will credit card payments be posted and how will borrowers be informed of this time frame?
When you assist a borrower in making a credit card payment, you will see the following message.

"Your request to charge your credit card has been submitted. Please allow at least three business days for us to process this request and apply your payment. During this time additional payment requests cannot be processed."