

OFFICE OF THE CHAPTER 13 TRUSTEE, DAVID WM. RUSKIN

PARTICIPATION RULES OF THE AUTOMATIC BANK DRAFT PROGRAM

- This program is limited to those cases in which the Court has entered an Electronic Transfer of Funds Payment Order (the “ACH Order”). The ACH Order *must* be entered before submitting the Authorization Agreement for Preauthorized Payments (ACH) (the “Agreement”) to the Trustee. If the ACH Order has not been entered by the Court within two weeks of the date on which the Agreement was received by the Trustee, the Trustee may return the Agreement to You. If that occurs, You will be required to submit a new Agreement to the Trustee **after** the Court has entered the ACH Order.
- This program is intended only for debtors with income as to which a Third Party Payment Order cannot be effectuated such as social security and disability; or as to whom the Court has excused the requirement for a Third Party Payment Order. *See E.D. Mich. LBR 1007-1(C).*
- Bank Account Holder(s) must request to participate by completing the “Agreement” and returning the signed Agreement to the Trustee. The Agreement is available on the Trustee’s Web Site, www.det13.com. *Agreements that are incomplete or are not signed by all Account Holders can not be implemented by the Trustee.*
- There may be a delay in the implementation of this Agreement from the time of receipt of this Agreement by the Trustee. You will be notified in writing by the Trustee as to when the automatic draft program will commence. You understand and agree that You must make all Plan Payments that come due prior to the implementation of this Agreement, by check or money order mailed to the Trustee.
- You may choose either the 7th or the 17th day of the month for Your payment to be debited, regardless of Your actual payment due date. Should the 7th or the 17th of the month fall on a bank holiday or on a weekend, the Bank Account will be debited on the first business day thereafter.
- The amount to be withdrawn must be stated as a monthly amount. If the Agreement or any Order of Court states a payment frequency other than monthly, the Trustee is authorized to convert the specified amount and frequency into the equivalent monthly amount for purposes of ACH withdrawals.
- The Trustee reserves the right to deny this privilege to any person.
- The Trustee may terminate this Agreement without prior notice if the Bank Account contains insufficient funds to permit any withdrawal to occur.
- You authorize the Trustee to initiate credits to the Bank Account, to adjust any entry made in error to the Bank Account.
- You have the right to terminate this Agreement at any time upon written notice signed by all Account Holders. There is a Termination Form attached. This Termination Form is also available on the Trustee’s Web Site, www.det13.com.
- If You terminate this Agreement, the Trustee shall have a reasonable time after receipt of notice within which to effectuate the termination. You agree to indemnify and hold Trustee, his supervisors, agents, servants, employees, and all persons acting on behalf of the Trustee, harmless from any claim, liability or damages whatsoever, including, but not limited to, bank fees, court costs, attorneys' fees and interest, resulting from or incurred at any time prior to the Trustee’s effectuation of Your request for termination of this Agreement.
- You will be notified in writing by the Trustee if this service is terminated. Upon receipt of Notice of Termination, You must make all future plan payments by check or money order mailed to the Trustee.
- The Trustee reserves the right to amend these rules at any time without prior notice.