

# Important Information About Repayment

Thank you for being part of the Dreamers Graduate Loan Program. Repaying your loan is critical to avoiding damage to your credit score and ensuring that the program can serve as many Dreamers as possible.

## What happens if I don't repay my loan?

- **You will owe additional interest:** When you don't pay down your loan balance each month, interest will continue to accrue, and you will owe more on your loan over time.
- **Your credit score could be damaged:** If you are **more than 30 days** behind in making payments, your repayment delinquency may be reported to credit bureaus, which could negatively impact your credit score. If your credit score is damaged, it may be more difficult for you to obtain additional student loans, auto loans, home loans, credit cards, and other forms of credit, and it may take years to reestablish your credit score.
- **Your loan will go into default:** If you fail to make a payment for **more than 270 days**, your loan will go into **default**. The default will be reported to credit bureaus and will further damage your credit score, affecting your ability to access credit. You may ultimately owe taxes on any unpaid loan balance (you should consult an attorney or tax professional regarding your specific legal or tax situation). Your loan may also be sent to a collections agency, this matter may be brought to court, and you may be charged court costs and other fees.
- **Other Dreamers will lose out on loan access:** With fewer repayments to the loan program, we will not be able to serve as many Dreamers who need this financial support to achieve their goals in the years to come.

## What can I do to avoid delinquency and default?

- **Sign up for automatic payments at any time:** Automatic payments help you repay your loan each month on time. As an added incentive, **with autopay you can reduce your interest rate by 0.25%**, which will lower the total amount owed on the loan. If you are in school or your grace period, you can take advantage of autopay even if you're not making payments and you will still benefit from a reduced interest rate.
  - For example, by signing up for automatic payments at the start of a \$30,000, 10-year loan that funds a two-year master's program at a 9% interest rate, you could save nearly \$900. And by making minimum payments while in school or during your grace period, you could save hundreds more.

## What should I do if I am struggling to make payments, my loan is delinquent, or in default?

- **Alternative repayment options are available:** Are you having trouble making payments? The loan servicer, Launch Servicing LLC, can offer flexible options such as a temporary hardship deferment or reduced payments. Taking advantage of these options can bring your account to current so that you will not risk additional damage to your credit report.

To sign up for automatic payments or an alternative repayment plan, contact Launch Servicing: (877) 354-2629 or at <https://borrower.launchservicing.com/>