

What happens if you are delinquent on your loan:

First of all, what does “delinquent” mean?

You have a 10 day grace period to get your loan payment in. If we have not heard from you and you have not made your payment within those 10 days, your loan will be considered late, or delinquent. This means that we will follow our collections procedures (see below for your type of loan) until you have worked with IC\$ staff to start a plan to get back on track with your loan payments.

Opportunity, Security and Success, Dreamer, Bradley Angle and OALF Loans:

At 10 days late:

- On 10th day after it's due we will call you and send you and your referring partner a notice that your loan is now in delinquent status. We may also contact your referring partner by phone or email.
- If you have missed your first loan payment, we will contact your referring partner immediately, and may call the references listed on your loan application.
- **A late fee of 5% is charged.**

30 days late:

- We will call you, and mail a notice to you that you are late.
- We may also email you, and we will contact your referring partner to notify them that you are late.
- If we can't reach you, we will contact your references (listed on your application) to see if they can pass a message on to you.
- The notice we mail you will remind you that we have the legal right to pursue collections through the small claims court.
- Your payment will be **reported as 30+ days late to the credit bureaus.**

More than 30 days late:

- You will need to set up a meeting with us to come in to the office to make an amendment to your loan so you can get your payments back on track.
- If you do not make this plan with us you will continue to receive phone calls, emails and mail from us. We will contact your referring partner and, and we will **pursue our rights to collection in small claims court.**

If we file in small claims court:

- We spend \$86 in fees, and those fees are passed on to you. That means **you will not only owe us the amount you haven't paid on your loan, but the cost of us filing (\$86) and any additional court fees.**
- The notice of filing is served to you by a County Sheriff, usually at your home.
- You have a right to mediate or dispute our claim. **You still have the opportunity to come and start a repayment plan with us.** However, if you have already been served, a court-sponsored mediated agreement costs an additional \$50, so it is still better to set up a plan with us before we get to the point of filing in court.

If we still don't hear from you after you have been served:

- We file a request for **default judgment** against you, which gives us the right to garnish your wages and bank accounts.

Credit Builder Loans:

If you are a credit builder loan borrower and you are 30 days late on your payment more than once and you have not communicated with us, **we will automatically close out your loan.** At this time we will send you back the money that you have paid us, less any fees, to prevent your loan from reporting late more than once on your credit report.