



## GreenPath Frequently Asked Questions

### **What is the difference between credit counseling and debt counseling?**

There is no difference. The terms "credit counseling" and "debt counseling" both refer to the process of exploring options to help you get out of debt, increase savings and take control of your financial future through a financial wellness assessment.

### **Is financial wellness all about paying off debt?**

No! Using a written budget will help you specify your goals and define what you should be saving monthly. A financial wellness expert can help you create a budget that will work for you. It's important to review your credit report yearly to ensure accuracy. A financial wellness expert can point out items on your credit report that may be impacting your score.

### **How much does a financial wellness assessment cost?**

There is no cost. It is free.

### **Do I need to make an appointment?**

No, an appointment is not necessary, however you may make an appointment if you like. GreenPath professionals are standing by to serve you by phone. However, appointments are required for in-person services and reverse mortgage counseling.

### **What if I don't have time to conduct a financial wellness assessment now?**

No problem. A client advocate can schedule an appointment for a more convenient time.

### **What will I need for my initial session?**

Please have copies of recent bill statements handy. Your GreenPath financial wellness expert will also need to know how much money you and your spouse / financial partner bring home each month.

### **How much does a Debt Management Plan cost?**

Debt Management Plan fees are not included in the initial credit or debt counseling. Debt management plan fees vary based on your state of residence and debt amount. GreenPath charges a one-time set up fee that ranges from \$0 to \$50. We also charge a monthly fee that ranges from \$0 to \$75. Our average monthly fee is about \$36. This is typically far less than the amount that our clients save in waived late fees, waived over limit fees and reduced credit card interest charges.

**Can I still use my credit cards on a Debt Management Plan?**

Credit cards on the Debt Management Plan must be closed. However, creditors will usually allow you to continue using one credit card for emergencies, work and travel purposes.

**Does GreenPath work for the credit card companies?**

Absolutely not. GreenPath is a neutral third-party that works in your best interest. Many creditors support our work because they believe it is a “win-win” solution that results in positive, long-term benefits for them and their customers.

**Will a Debt Management Plan hurt my credit score?**

The Debt Management Plan itself is not reported to credit bureaus and does not factor directly into credit scores. Your score may initially dip when lines of credit are closed. However, many people on a Debt Management Plan see their scores increase over time as they make on-time payments each month.

**How long will it take to pay off my credit card debt?**

The length of a Debt Management Plan varies based on your unique situation. Clients that eliminate credit card debt usually do so in three to five years.

**Am I required to sign a contract if I begin a Debt Management Plan?**

You will not be asked to sign a binding contract. You will sign an agreement that specifies the program details and gives us permission to pay bills on your behalf. However, the agreement is not a binding contract and you can stop the program at any time.

**Can I contact someone at GreenPath if I have questions or concerns about my Debt Management Plan?**

Yes, absolutely. We will periodically contact you to see how you’re doing. You may always contact your primary financial wellness expert or client success specialist at any time for any reason.

**What is the difference between a Debt Management Plan and a Debt Repayment Plan?**

A Debt Management Plan is a type of debt repayment plan.

**How much does a credit report review cost?**

There is no charge for a credit report review.

**Will GreenPath provide me with a copy of my credit report?**

You can obtain your own report at [www.annualcreditreport.com](http://www.annualcreditreport.com) free of charge, although there is a small fee for the credit score. GreenPath can also provide you with an educational credit report with score for about \$15.

**Can GreenPath repair my credit?**

Typically, no legitimate company will provide credit repair. The Federal Trade Commission (FTC) warns consumers of any company that charges money for credit repair or offers to remove late payments, bankruptcies or similar information from a credit report.

**How do lenders use credit scores?**

Credit scores help lenders assess your likelihood to repay debt responsibly based on your past credit history and current credit status.

**Which creditors does GreenPath work with?**

All of the major credit card companies offer concessions through GreenPath on a case-by-case basis. GreenPath works with most creditors throughout the U.S., including banks, credit unions, retailers, medical providers, auto finance and collection agencies.

**How are credit scores determined?**

There are several different types of credit scores. Each score is determined using a unique formula. Most use some variation of on-time payment history, percentage of credit line used, debt balances, age and type of accounts, number of recent credit inquiries and amount of available credit.

**How much does it cost for student loan counseling?**

There is no cost. General student loan counseling is included in the initial financial wellness assessment as part of the budget and debt conversation.

**Can GreenPath lower my student loan payments?**

Your financial wellness expert will provide you with options as well as resources or education to help you work with your servicer. Please know that GreenPath can't guarantee specific outcomes. Your outcome will depend on what your servicer is willing to offer and/or your eligibility for student loan repayment programs.

**Can GreenPath help high school students and parents decide how to pay for college?**

Yes. Your financial wellness expert can explain the various types of lenders and loans, as well as the repayment options for each. They will also help you understand how much the monthly payment will be, when payments will begin and how to budget accordingly.

**Will GreenPath keep my information confidential?**

Yes, absolutely. GreenPath does not report to the credit bureaus. Your financial wellness expert will not share your information with anyone without your permission. If you begin a debt management program, your financial wellness expert will propose payment arrangements to your creditors.