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**Refugee Travel Loans:  
Facts You Need to Know**

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Migration and Refugee Services  
United States Catholic Conference  
3211 Fourth Street, NE  
Washington, DC 20017-1194  
1-800-233-0213

Q. What is a Travel Loan?

A. The travel loan is provided for funds advanced on behalf of refugees by the International Organization for Migration (IOM), to pay for their transportation to the United States.

Q. What is my obligation in connection with this loan?

A. Your obligation, as clearly indicated in the promissory note you signed before departing for the United States, is to repay the full amount of the loan in regular monthly payments to your sponsoring resettlement agency, which acts as agent for the IOM.

Q. How do I make payment?

A. Each month a bill will be sent to you requesting a minimum payment. By check or money order, please DO NOT SEND CASH, mail your payment to: Migration and Refugee Services, United States Catholic Conference, P.O. Box 73147, Baltimore, Maryland 21273-0147. The Toll Free number should you have question concerning your account is 1-800-233-0213. For payments at other times use the coupon book provided at orientation, and follow the instructions given in the book.

Q. What is the Interest Rate on these loans?

A. None, these loans are interest free.

Q. When do I begin making payment?

A. Generally by the sixth month after your arrival. However, requests for a deferral will be considered, but they must be explained and documented. Those desiring to begin paying earlier or those seeking to pay the account in full may do so at any time.

Q. What is the maximum time I have to pay the loan in full?

A. The terms of the note call for the loan to be paid by the 46th month after your arrival. Again, if a deferral has been granted or other circumstances warrant, this can be extended.

Q. Where does my payment go?

A. It is applied against your account to reduce the outstanding balance. The funds are then returned to IOM, for the purpose of making new travel loans to other refugees.

Q. What happens if I do not repay my loan?

A. Depending on the circumstances the results of non-payment can vary.

1- If there is a genuine inability to repay due to a hardship which prevents you from having sufficient resources, it is possible for the monthly payment to be reduced or deferred. Specific reasons must be provided in writing for such requests. Each case is considered individually, including input from the local resettlement office.

2- Should there be no repayment due to simple refusal, attempts will be made to persuade the individual to honor their commitment. Additionally the debt will be reported to the Credit Reporting Agency and will establish a negative credit history for the refugee.

Q. What is a Credit Reporting Agency? A Credit History?

A. A Credit Reporting Agency provides a service that gathers information on the repayment of debts by individuals. This service is used by creditors in determining if they would make extensions of credit to individuals.

This information is called a Credit History. As a means of getting established, a positive prior credit history is useful in obtaining additional credit for such items as a home mortgage, an automobile loan, credit cards, etc. Conversely a negative history would hinder such pursuits and raise questions as to the individual's sense of responsibility and commitment.

Q. If I am reported to a Credit Reporting Agency, can I remove this negative report from my record?

A. Yes - By contacting USCC/MRS and making arrangements to reinstate repayment of the loan. Upon the receipt of payment the necessary adjustments will be reported to the credit agency.