



August 15, 2025

The Honorable Elizabeth Warren
311 Hart Senate Office Building
Washington, DC 20510

The Honorable Bernard Sanders
332 Dirksen Building
Washington, DC 20510

The Honorable Mazie Hirono
109 Hart Senate Office Building
Washington, DC 20510

The Honorable Chris Van Hollen
730 Hart Senate Office Building
Washington, DC 20510

The Honorable Jeffrey A. Merkley
531 Hart Senate Office Building
Washington, DC 20510

The Honorable Chuck Schumer
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Richard Blumenthal
503 Hart Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
221 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Edward J. Markey
255 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators:

Thank you for your letter on August 3, 2025, requesting information about SoFi and our student lending business. We appreciate the opportunity to reply to your questions and share more about who we are and how we serve our members according to our core values.¹

SoFi Technologies, Inc. (SoFi) is a member-centric, one-stop shop for digital financial services on a mission to help people achieve financial independence and to realize their ambitions. SoFi Bank, N.A., an affiliate of SoFi, is a national bank, regulated by the Office of the Comptroller of the Currency (OCC), Federal Reserve Bank of San Francisco (Federal Reserve), Federal Deposit Insurance Corporation (FDIC), and the Consumer Financial Protection Bureau (CFPB). SoFi is also a bank holding company regulated by the Federal Reserve.

¹ For more information on SoFi values, please see: <https://www.sofi.com/values/>.

Founded in 2011, SoFi helps over 11.7 million members borrow, save, spend, invest, and protect their money with a full suite of financial products and services, all available in one app, including access to credentialed financial planners, home loans, personalized budgeting tools, and a vibrant community for networking and financial insights.

SoFi Bank originates private student loans for students and their families to pay the cost of attendance at schools approved by the U.S. Department of Education under Title IV of the Higher Education Act of 1965, and to refinance such loans. Since SoFi's founding, we have helped hundreds of thousands of borrowers refinance more than \$46 billion in student loans as of May 2025, empowering students, parents, and families to reduce debt and realize their ambitions more quickly.² A competitive and responsible private lending market fosters choice and competition, promoting a dynamic range of products and services for students, their families, and schools. SoFi offers low-cost financing that does not add to the federal balance sheet and complements existing federal lending programs. We promote responsible borrowing by offering borrowers manageable loans on transparent terms.

In your letter, you requested information about SoFi's student loan originations. As a publicly traded company, SoFi publishes robust information about our business on a regular basis, including information about loan origination, loan performance, and certain anticipated developments. For example, in SoFi's second quarter 2025 earnings release, we reported that SoFi originated \$2.2 billion in student loans in the first six months of 2025.³ We also report on loans that are charged-off after 120 days of delinquency or on the date of confirmed loss; for the first six months of 2025, the annualized ratio of net charge-offs to average loan balances outstanding was 0.72%.⁴ Since we began reporting the full-year annualized ratio of net charge-offs to average loans outstanding, this rate has been less than 1% in each of 2024, 2023, and 2022. For more information about our student loans, we refer you respectfully to SoFi's public filings.⁵

High quality loan servicing is core to SoFi's value proposition to our customers. We provide our customers with information, tools, and support to help manage their loans.

² SoFi, (2025, June 12). *New SoFi Report Uncovers the Biggest Challenge in Financing Higher Education: Understanding the True Cost* [Press release]. SoFi Investor Relations. <https://investors.sofi.com/news/news-details/2025/New-SoFi-Report-Uncovers-the-Biggest-Challenge-in-Financing-Higher-Education-Understanding-the-True-Cost/default.aspx>.

³ SoFi Technologies, Inc. Q2 2025 10-Q filing. Retrieved from <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001818874/e64ce927-6e6a-4202-9385-65d124b6c07a.pdf>. Please see pages 88 and 89 for detailed information on loan originations.

⁴ *Ibid*. Please see page 81 for detailed information on net charge-offs. Net charge-off ratio is calculated as net charge-offs divided by average loans.

⁵ SoFi Investor Relations website features prior SEC filings at <https://investors.sofi.com/financials/sec-filings/default.aspx>.

SoFi engages third-party partners to assist in certain functions, such as delivering monthly statements, processing payments, and addressing customer inquiries. As a national bank, supervised and examined by the OCC and other federal financial regulators, SoFi conforms to high standards of third-party oversight and we continually monitor and review our vendors' performance, consumer complaints, and any regulatory action related to their performance.

SoFi's ability to sell certain loans to secondary-market investors is a central feature of a competitive and efficient market that enables SoFi to offer borrowers loans at competitive and attractive rates. In the vast majority of cases where SoFi sells or securitizes student loans, SoFi retains servicing of the loans, assuring that borrowers receive servicing, support, tools, and forbearance options.

When a SoFi borrower faces financial challenges or hardship, we will offer many options to avoid delinquency and to manage their payment obligations. For example, SoFi offers short-term forbearance options, such as a "skip a pay" program, payment grace periods, and other conventional forbearance options. SoFi also offers programs for active duty service members who may face payment challenges, as well as programs for long-term financial hardship, disability, and disasters. As a national bank, we work continuously to review and monitor loan delinquency rates and available forbearance programs and to ensure these programs are in full compliance with all applicable U.S. regulations.

Thank you for the opportunity to share insights into our business. We appreciate your work overseeing the student lending market and share your goal of making sure people have access to responsible and transparent options to finance their education to advance their futures. The strength of our nation's financial system relies on strong collaboration among market participants, policymakers, regulators, and consumers. We will continue to work with policymakers on measures to improve this important market for all.

Please do not hesitate to reach out to me or Matt Cameron, Director, Policy and Government Affairs at SoFi at macameron@sofi.org if you have any questions or require additional information.

Sincerely,



Stephen Simcock
General Counsel

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JOHANNESBURG LONDON LOS ANGELES NEW YORK
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October 2, 2025

The Honorable Elizabeth Warren
The Honorable Charles E. Schumer
The Honorable Bernard Sanders
The Honorable Richard Blumenthal
The Honorable Mazie Hirono
The Honorable Ron Wyden
The Honorable Chris Van Hollen
The Honorable Edward J. Markey
The Honorable Jeffrey A. Merkley
United States Senate
Washington, D.C. 20510

Dear Senators:

On behalf of our client SoFi Technologies, Inc. ("SoFi"), this letter is a supplemental response to your August 3, 2025, letter to SoFi. SoFi initially responded on August 15, 2025, and this letter follows our productive conversations with Sen. Warren's staff. SoFi appreciates the opportunity to continue to respond to your questions and provide information regarding the company's student loan offerings.

SoFi Bank, N.A., a wholly owned subsidiary of SoFi, is a national bank that offers personal loans, student loans, home loans, and related services designed to assist individuals with a variety of financial needs. SoFi seeks to help individuals achieve financial independence and realize their ambitions, including through borrowing, saving, and investing. In its student loan products, SoFi provides both student loan refinancing and lending to students currently in school. SoFi seeks to differentiate its products by offering flexible loan sizes, repayment options, and competitive rates. Within the student loan refinancing sector, SoFi generally offers loan sizes of \$5,000 or more, with terms generally ranging from five to twenty years. For loans to students currently in school, SoFi generally offers loan sizes of \$1,000 or more, with terms generally ranging from five to fifteen years. SoFi offers both fixed- and variable-rate student loans, the annual percentage rates of which fluctuate with market conditions.

As noted in your letter, SoFi operates in a highly regulated market under parameters set by Congress and implemented by agencies of the executive branch. As noted in your letter, recently enacted legislation is poised to make notable changes in the law governing student loans. Even as Congress was still considering the legislation, SoFi began to assess the potential effects of the legislation.

For example, and in response to your questions about SoFi's plans with respect to the changes created by the statute, SoFi currently plans to expand its graduate school offerings in an

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effort to meet the needs of students affected by Congress's decision to eliminate the Grad PLUS student lending program. In addition, SoFi plans to enhance and broaden its deferment offerings to include expanded deferments for professional students, which can be useful for students in certain graduate programs such as medical doctors during residency. Of course, these plans may change, and SoFi may offer additional new services as well, as SoFi assesses the effects of the student loan provisions of the statute once implemented.

Regarding your questions about new loan borrowers and the average amount borrowed, SoFi originated \$4.9 billion student loans in 2020, \$4.3 billion student loans in 2021, \$2.2 billion student loans in 2022, \$2.6 billion student loans in 2023, \$3.8 billion student loans in 2024, and \$2.2 billion student loans in the first half of 2025. In undergraduate lending, SoFi's average loan amount was approximately \$16,200 in 2020, \$17,200 in 2021, \$16,800 in 2022, \$16,900 in 2023, \$17,500 in 2024, and \$17,900 so far in 2025. Although SoFi does not report annual borrower statistics, since its founding in 2011, SoFi has served more than 11.7 million members, including refinancing student loans for more than 515,000 borrowers. At present, SoFi does not have specific projections for loan numbers and amounts through 2030.

Your letter inquired about loan servicing. SoFi uses both internal servicing and third-party servicers for student loans. Until recently, SoFi's third-party servicer for student loans has been the Missouri Higher Education Loan Authority ("MOHELA"). SoFi is currently transitioning its third-party servicing to Nelnet, Inc. ("Nelnet"), a process that is expected to be completed in the coming months. As noted in SoFi's initial response, SoFi conducts oversight and monitoring of the performance of its third-party providers. For example, under its third-party program, SoFi assesses adherence to contractual terms, applicable laws, service-level agreements, financial condition, and subcontractor activities on an ongoing basis. SoFi has a strong track record of member service. For example, the average call wait time to reach support service is sixteen seconds and less than a minute even at peak times.

In an effort to continue to provide strong member service, SoFi is in the process of assessing its member service offerings, particularly in anticipation of the elimination of the Grad PLUS program and the expected resulting increase in students' interest in SoFi's products. Regarding your question concerning collections, SoFi primarily works with Nelnet on collection activities, and uses other third-party servicers, particularly for late-stage collections. Regarding defaults for in school loan originations, since the inception of SoFi's program in 2020, the default rate has been 1.18%.

Your letter inquired about protections for borrowers. SoFi's initial response addressed protections provided to borrowers facing temporary financial hardship or disability. SoFi additionally protects borrowers by choosing to issue loans only for students attending four-year, degree granting institutions that receive Title IV education funds administered by the Department of Education. This means that SoFi does not lend to students attending, for example, for-profit schools, trade schools, two-year schools, coding academies, retraining institutions, and the like. Furthermore, SoFi student loans are certified by the school prior to disbursement, and loan proceeds are disbursed directly to the institution rather than the student. These policies help protect borrowers from potential harm, including fraud and sudden school closures.

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Although SoFi is not in a position to compare all attributes of federal loans with the loans that the company offers, SoFi believes that certain differences are central to the differentiated offering of the company's products. For example, SoFi offers loans without fees; federal programs may have fees, such as the 4.228% origination fee in Grad PLUS loans. Federal programs offer loans with a ten-year term; SoFi offers loans with terms of five, seven, ten, and fifteen years, allowing borrowers to choose a loan term that best fits their financial situation. Federal loans offer only a fixed rate; SoFi offers both fixed- and variable-rate loans, which similarly permits a borrower to choose a product that best fits the borrower's needs. In certain attributes, SoFi and federal loans have similar characteristics. For example, as in federal programs, SoFi forgives outstanding student loans in the event of the borrower's death.

Regarding your questions about sales to private equity, SoFi previously noted that it has sold loans to third-party investors. In general, SoFi does not classify its loan investor counterparties by type; however, to date, most third-party investors in SoFi's student loans have been banks and specialty finance companies. SoFi maintains control over the standards applicable to such third-party sales, including the investors with whom it engages and the terms of sale. The bulk of SoFi's lending comes from SoFi's own on-balance-sheet resources. Importantly, SoFi remains the servicer of record of such loans, providing a consistent experience to its borrowers. SoFi does not currently have specific future plans related to the private equity industry.

Certain information provided today may contain information that SoFi considers confidential, proprietary, or commercially sensitive. Disclosure of such information may cause competitive harm and distortion in the marketplace. We therefore respectfully request that today's response be treated as confidential. If you should nonetheless consider public release of any of the information provided today, we request that we be given notice and an opportunity to discuss the matter with you.

Thank you for the opportunity to provide this additional information regarding SoFi. Please let us know if you have any questions about SoFi's response, including the information provided today.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. D. Smith", with a long horizontal flourish extending to the right.

Brian D. Smith