

PAYDAY LOAN—SINGLE PAYMENT

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount	\$200.00
Interest	\$.76
Fees	\$50.00
Payback Amount	\$250.76

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a two-week, \$200 payday loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 250.76
1 Month*	\$ 251.64
2 Months*	\$ 253.28
3 Months*	\$ 254.93

**Payment amounts are approximated.*

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new payday loan...



2 1/2 people will pay the loan on time and in **1 payment** (typically two weeks)



2 people will **renew** the loan **1 or 2 times**



1 1/2 people will **renew** the loan **3 or 4 times**



4 people will **renew** the loan **5 or more times**

Adapted from: Bertrand & Morse, "Information Disclosure, Cognitive Biases and Payday Borrowing", Milton Friedman Institute for Research in Economics (Oct. 2009).

Data provided above is compiled from a 2008 national survey; repayment patterns may be different.



Ask Yourself...

- ◆ Is it necessary for me to borrow the money?
- ◆ Can I afford to pay this loan back **in full** in two weeks?
- ◆ Will I be able to pay my regular bills and repay this loan?
- ◆ Can I afford the extra charges, interest, and fees that may be applied if I miss or fail to make payment?
- ◆ Are other credit options available to me at this time?

Turn Page 



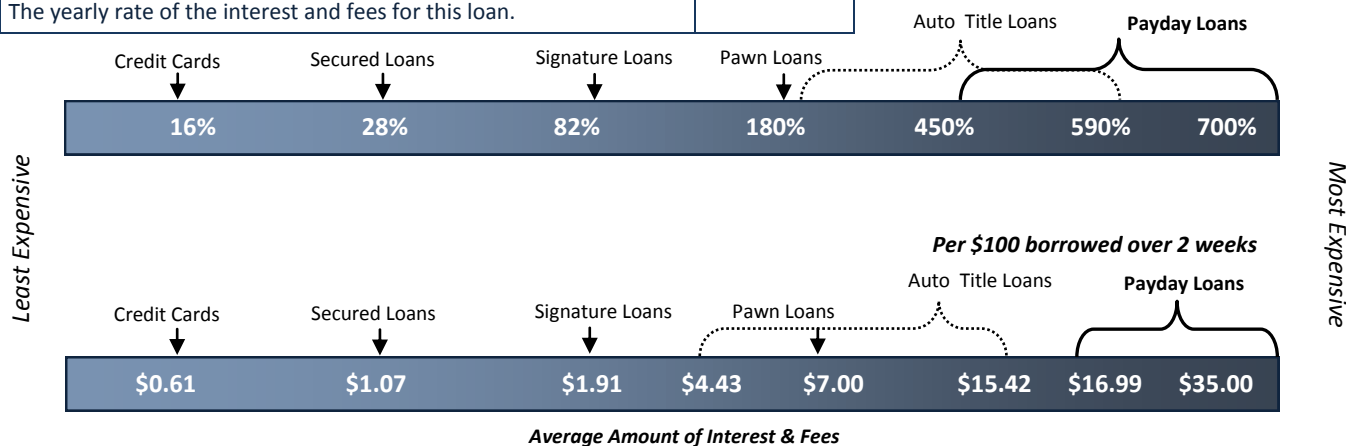
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Form Rev: December 2012

How Does a Payday Loan Compare to Other Options?

CASH ADVANCE / BORROWED AMOUNT	\$200.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$.76
TOTAL OF FEES The amount you will pay in fees for this loan.	\$50.00
TOTAL OF PAYMENTS The amount you will pay if you repay the loan on time.	\$250.76
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	661.69%

Loan Calculation & Cost Comparison



Payday loans are cash advances provided to a borrower to meet financial needs. As a borrower, you will be required to sign a loan agreement that tells you the amount you have requested to borrow, the annual percentage rate (APR) for that loan, the amount of interest and fees that may be charged for that loan, and the payment terms of the loan. Payday loans may be one of the more expensive borrowing options available to you. *Payday loans may also be referred to as cash advance, delayed deposit or deferred presentment loans.*

Complaint or Concern?

If you would like to file a concern or complaint regarding a payday loan, contact the
**Office of
Consumer Credit
Commissioner
800-538-1579**

Looking for Information on
Budgeting, Personal Savings, Credit Card Management, or other personal money management skills?

Visit the OCCC's Financial Literacy Resource Page

http://www.occc.state.tx.us/pages/consumer/education/Financial_Literacy_Resources.html

Additional Information

- ◆ You may be required to write checks or authorize withdrawals from personal checking accounts to cover payments for the loans.
- ◆ You can compare all loan options available and select the option that is best for you.
- ◆ You can avoid extra fees and loan renewal costs by not missing payments and by repaying loans on time.

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Borrowed Amount	\$300.00
Interest	\$1.15
Fees	\$75.00
Payback Amount	\$376.15

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How much will a two-week, \$300 payday loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 376.15
1 Month*	\$ 377.46
2 Months*	\$ 379.93
3 Months*	\$ 382.39

**Payment amounts are approximated.*

How Long Could It Take to Repay a Loan?

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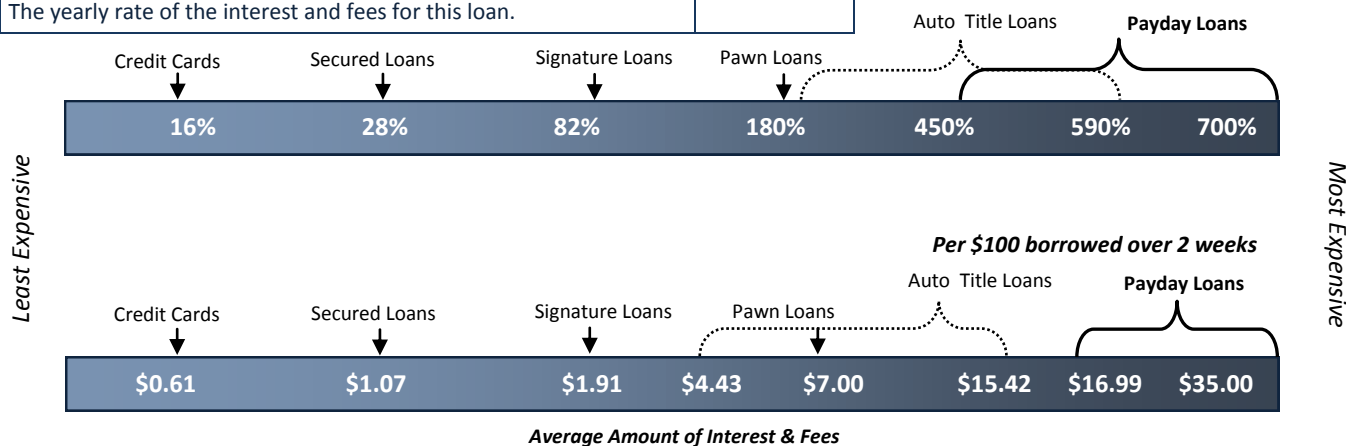
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CASH ADVANCE / BORROWED AMOUNT	\$300.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$1.15
TOTAL OF FEES The amount you will pay in fees for this loan.	\$75.00
TOTAL OF PAYMENTS The amount you will pay if you repay the loan on time.	\$376.15
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	661.78%

Loan Calculation & Cost Comparison



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PAYDAY LOAN—SINGLE PAYMENT

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount	\$500.00
Interest	\$1.91
Contract Rate: 10%	
Fees	\$125.00
Payback Amount	\$626.91

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How much will a two-week, \$500 payday loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 626.91
1 Month*	\$ 629.10
2 Months*	\$ 633.21
3 Months*	\$ 637.32

**Payment amounts are approximated.*

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new payday loan...



2 1/2 people will pay the loan on time and in **1 payment** (typically two weeks)



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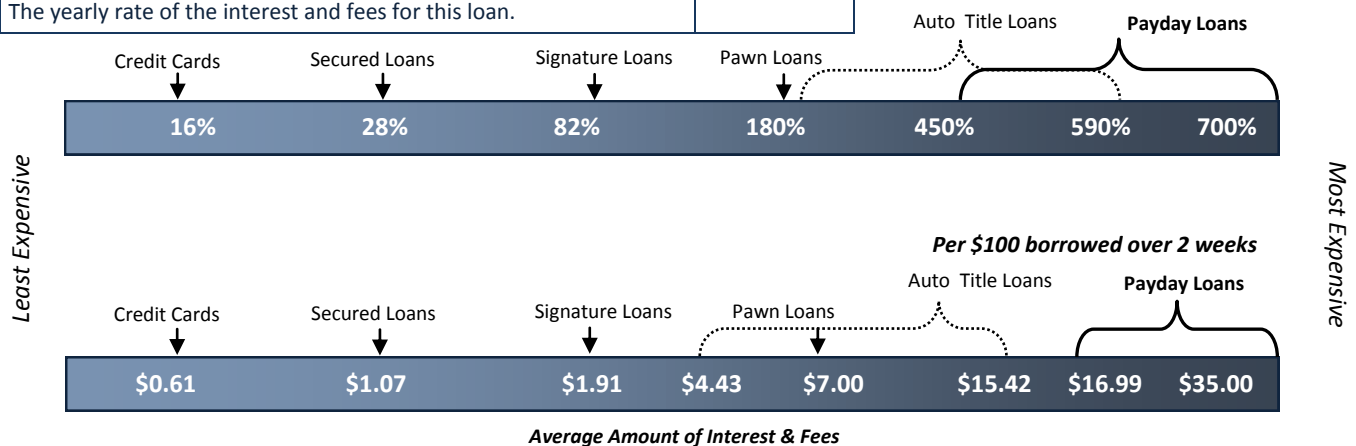
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INTEREST PAYMENT The amount you will pay in interest for the loan.	\$1.91
TOTAL OF FEES The amount you will pay in fees for this loan.	\$125.00
TOTAL OF PAYMENTS The amount you will pay if you repay the loan on time.	\$626.91
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	661.75%

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AUTO TITLE LOAN—SINGLE PAYMENT



You Can Lose Your Car

If you miss a payment or make a late payment, your car can be repossessed.

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount	\$300.00
Interest	\$2.73
<small>Contract Rate: 10%</small>	
Fees	\$116.25
<small>Includes a one-time \$33 certificate of title fee.</small>	
Payback Amount	\$418.98

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a one-month \$300 auto title loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 417.52
1 Month*	\$ 418.98
2 Months*	\$ 421.72
3 Months*	\$ 424.46

*Payment amounts are approximated and based on a 30-day month.

Ask Yourself...

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new auto title loan...



2.7 people will not renew their title loans



2.4 people will **renew** the loan 1 or 2 times



1.3 people will **renew** the loan 3 or 4 times



3.6 people will **renew** the loan 5 or more times

Adapted from: Tennessee Department of Financial Institutions, "The 2010 Report on the Title Pledge Industry", (Mar. 2010). Data based upon title pledge agreements with a single-payment term; repayment patterns may vary.

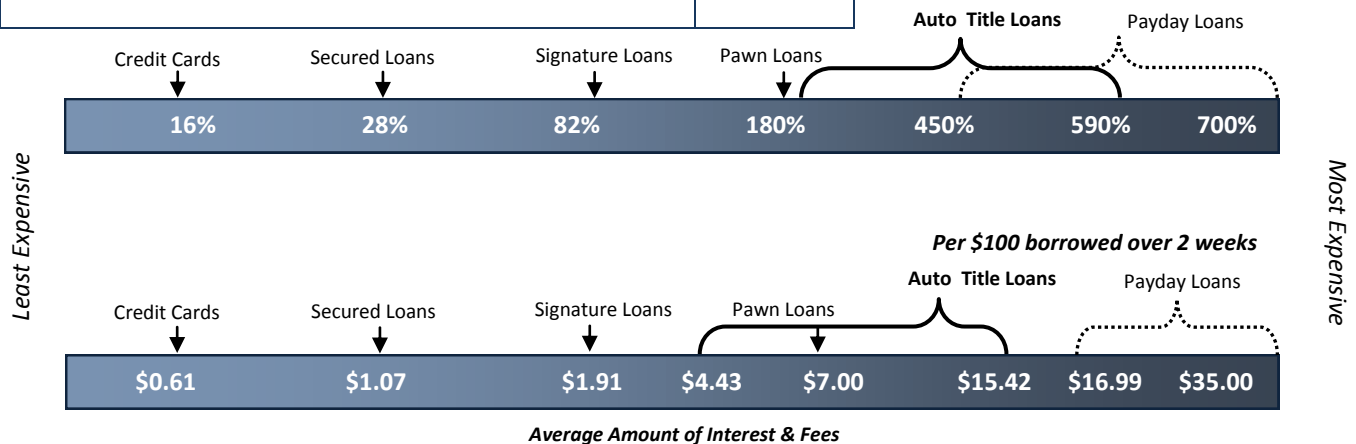
- ◆ Is it necessary for me to borrow the money?
- ◆ Can I afford to pay this loan back in full in one month?
- ◆ Will I be able to pay my regular bills and repay this loan?
- ◆ Can I afford the extra charges, interest, and fees that may be applied if I miss or fail to make payment?
- ◆ Are other credit options available to me at this time?



How Does an Auto Title Loan Compare to Other Options?

CASH ADVANCE / BORROWED AMOUNT	\$300.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$2.73
TOTAL OF FEES The amount you will pay in fees for this loan.	\$116.25
TOTAL OF PAYMENTS	\$418.98
ANNUAL PERCENTAGE RATE (APR)	314.15%

Loan Calculation & Cost Comparison



Auto title loans are cash advances provided to a borrower to meet financial needs. As a borrower, you will be required to use your car as collateral for the loan. You will be required to sign a loan agreement that tells you the amount you have requested to borrow, the annual percentage rate (APR) for that loan, the amount of interest and fees that may be charged for that loan, and the payment terms of the loan. Auto title loans may be one of the more expensive borrowing options available to you. *Auto title loans may also be referred to as car title loans, title loans, or title pledges.*

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You Can Lose Your Car

If you miss a payment or make a late payment, your car can be repossessed.

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount	\$500.00
Interest	\$4.38
<small>Contract Rate: 10%</small>	
Fees	\$166.25
<small>Includes a one-time \$33 certificate of title fee.</small>	
Payback Amount	\$670.63

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a one-month \$500 auto title loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 668.29
1 Month*	\$ 670.63
2 Months*	\$ 675.01
3 Months*	\$ 679.39

*Payment amounts are approximated and based on a 30-day month.

Ask Yourself...

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new auto title loan...



2.7 people will not renew their title loans



2.4 people will renew the loan 1 or 2 times



1.3 people will renew the loan 3 or 4 times



3.6 people will renew the loan 5 or more times

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- ◆ Can I afford to pay this loan back in full in one month?
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- ◆ Are other credit options available to me at this time?



Turn Page



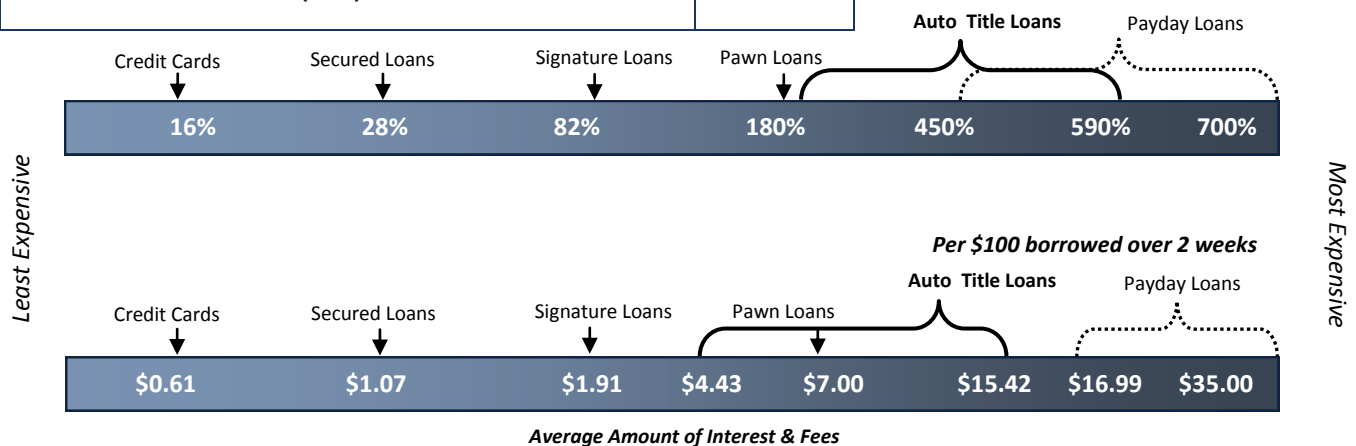
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How Does an Auto Title Loan Compare to Other Options?

CASH ADVANCE / BORROWED AMOUNT	\$500.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$4.38
TOTAL OF FEES The amount you will pay in fees for this loan.	\$166.25
TOTAL OF PAYMENTS	\$670.63
ANNUAL PERCENTAGE RATE (APR)	314.17%

Loan Calculation & Cost Comparison



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Borrowed Amount	\$1000.00
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Interest \$8.49
Contract Rate: 10%

Fees \$291.25
Includes a one-time \$33 certificate of title fee.

Payback Amount	\$1299.74
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How much will a one-month \$1000 auto title loan cost?

If I pay the loan in:	I will have to pay:
2 Weeks	\$ 1295.21
1 Month*	\$ 1299.74
2 Months*	\$ 1308.23
3 Months*	\$ 1316.72

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Ask Yourself...

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new auto title loan...



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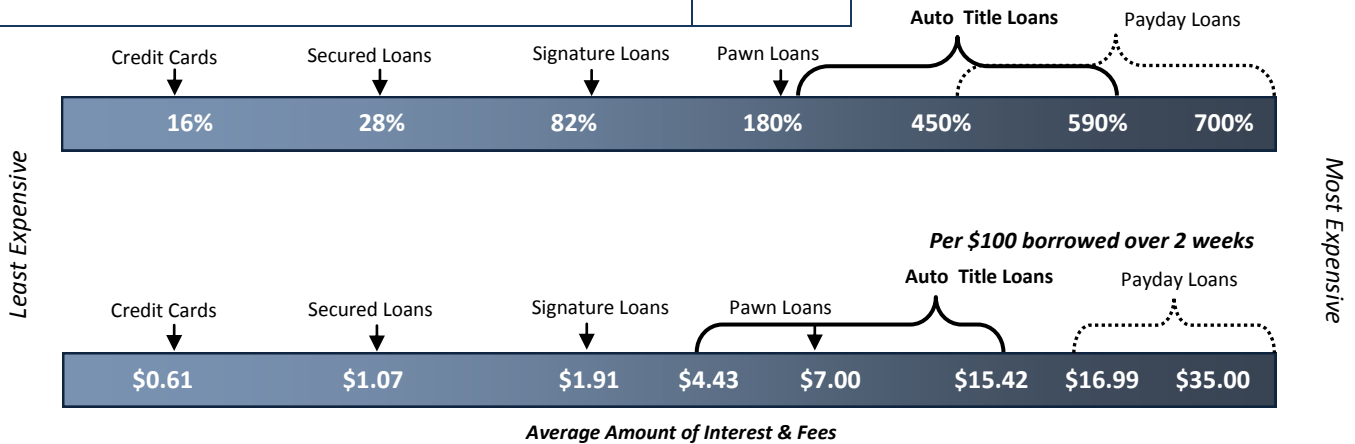
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- ◆ Are other credit options available to me at this time?



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PAYDAY LOAN—MULTI-PAYMENT

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Borrowed Amount **\$300.00**

Interest **\$5.40**
Contract Rate: 10%

Fees **\$597.63**

Payment Amount Payments #1— #9
\$90.31 each
Payment #10
\$90.24

Payback Amount **\$903.03**

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a 10-payment, bi-weekly, \$300 payday loan cost?

Payment Number	Due After	Accumulated Interest & Fees	If Paid in Full...
			Total Paid Principal + Accumulated Interest & Fees
1	2 Weeks	\$82.32	\$382.32
2	1 Month	\$162.44	\$462.44
4	2 Months	\$313.53	\$613.53
6	3 Months	\$446.19	\$746.19
8	4 Months	\$548.91	\$848.91
10	5 Months	\$603.03	\$903.03

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How Long Could It Take to Repay a Loan?

Of 10 people who take out a new payday loan...



2 1/2 people will pay the loan on time and in **1 payment** (typically two weeks)



2 people will **renew** the loan **1 or 2 times**



1 1/2 people will **renew** the loan **3 or 4 times**



4 people will **renew** the loan **5 or more times**

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Ask Yourself...

- ◆ Is it necessary for me to borrow the money?
- ◆ Can I afford to pay this loan back **in full** by the due date?
- ◆ Will I be able to pay my regular bills and repay this loan?
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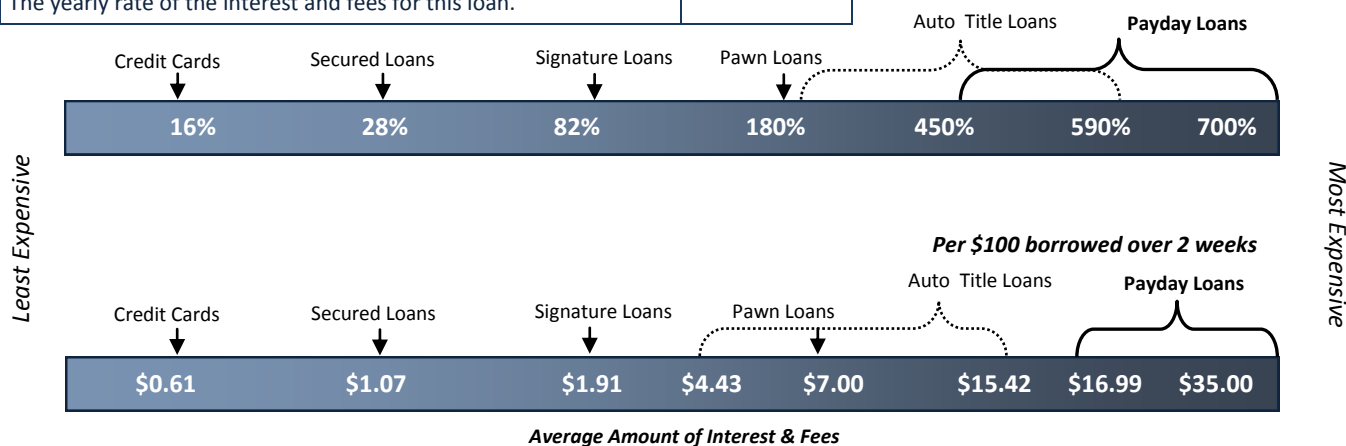
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INTEREST PAYMENT The amount you will pay in interest for the loan.	\$5.40
TOTAL OF FEES The amount you will pay in fees for this loan.	\$597.63
TOTAL OF PAYMENTS (10-PAYMENT, BI-WEEKLY LOAN) The amount you will pay if you repay the loan on time.	\$903.03
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	713.39%

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Consumer Credit
Commissioner
800-538-1579**

Looking for Information on
**Budgeting, Personal
Savings, Credit Card
Management, or other
personal money
management skills?**

**Visit the OCCC's Financial
Literacy Resource Page**

[http://www.occc.state.tx.us/
pages/consumer/education/
Financial_Literacy_Resources.html](http://www.occc.state.tx.us/pages/consumer/education/Financial_Literacy_Resources.html)

Additional Information

- ◆ You may be required to write checks or authorize withdrawals from personal checking accounts to cover payments for the loans.
- ◆ You can compare all loan options available and select the option that is best for you.
- ◆ You can avoid extra fees and loan renewal costs by not missing payments and by repaying loans on time.

ACKNOWLEDGEMENT OF RECEIPT: By signing below, I acknowledge only that I have received a copy of this disclosure prior to signing any contract for payday or auto title loan, this _____ day of _____, 20_____.

SIGNATURE: _____ DATE: _____



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Form Rev: December 2012

PAYDAY LOAN—MULTI-PAYMENT

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount **\$400.00**

Interest **\$7.22**
Contract Rate: 10%

Fees **\$796.72**

Payment Amount Payments #1— #9
\$120.42 each
Payment #10
\$120.16

Payback Amount **\$1203.94**

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a 10-payment, bi-weekly, \$400 payday loan cost?

Payment Number	Due After	Accumulated Interest & Fees	If Paid in Full...
			Total Paid Principal + Accumulated Interest & Fees
1	2 Weeks	\$109.76	\$509.76
2	1 Month	\$216.59	\$616.59
4	2 Months	\$418.04	\$818.04
6	3 Months	\$594.90	\$994.90
8	4 Months	\$731.84	\$1131.84
10	5 Months	\$803.94	\$1203.94

*Payment amounts are approximated.

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new payday loan...



2 1/2 people will pay the loan on time and in **1 payment** (typically two weeks)



2 people will **renew** the loan **1 or 2 times**



1 1/2 people will **renew** the loan **3 or 4 times**



4 people will **renew** the loan **5 or more times**

Adapted from: Bertrand & Morse, "Information Disclosure, Cognitive Biases and Payday Borrowing", Milton Friedman Institute for Research in Economics (Oct. 2009).
Data provided above is compiled from a 2008 national survey; repayment patterns may be different.



Ask Yourself...

- ◆ Is it necessary for me to borrow the money?
- ◆ Can I afford to pay this loan back **in full** by the due date?
- ◆ Will I be able to pay my regular bills and repay this loan?
- ◆ Can I afford the extra charges, interest, and fees that may be applied if I miss or fail to make payment?
- ◆ Are other credit options available to me at this time?

Turn Page



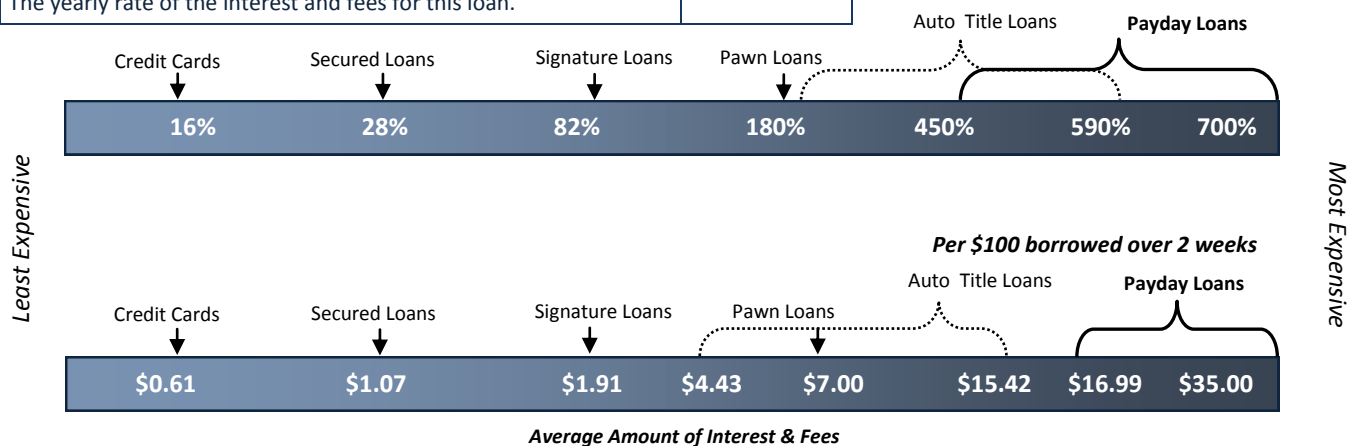
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Form Rev: December 2012

How Does a Payday Loan Compare to Other Options?

CASH ADVANCE / BORROWED AMOUNT	\$400.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$7.22
TOTAL OF FEES The amount you will pay in fees for this loan.	\$796.72
TOTAL OF PAYMENTS (10-PAYMENT, BI-WEEKLY LOAN) The amount you will pay if you repay the loan on time.	\$1203.94
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	713.41%

Loan Calculation & Cost Comparison



Payday loans are cash advances provided to a borrower to meet financial needs. As a borrower, you will be required to sign a loan agreement that tells you the amount you have requested to borrow, the annual percentage rate (APR) for that loan, the amount of interest and fees that may be charged for that loan, and the payment terms of the loan. Payday loans may be one of the more expensive borrowing options available to you. *Payday loans may also be referred to as cash advance, delayed deposit or deferred presentment loans.*

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PAYDAY LOAN—MULTI-PAYMENT

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount \$500.00

Interest \$9.02
Contract Rate: 10%

Fees \$996.06

Payment Amount Payments #1— #9
\$150.52 each
Payment #10
\$150.40

Payback Amount \$1505.08

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How much will a 10-payment, bi-weekly, \$500 payday loan cost?

Payment Number	Due After	Accumulated Interest & Fees	If Paid in Full...
			Total Paid Principal + Accumulated Interest & Fees
1	2 Weeks	\$137.20	\$637.20
2	1 Month	\$270.74	\$770.74
4	2 Months	\$522.56	\$1022.56
6	3 Months	\$743.66	\$1243.66
8	4 Months	\$914.88	\$1414.88
10	5 Months	\$1005.08	\$1505.08

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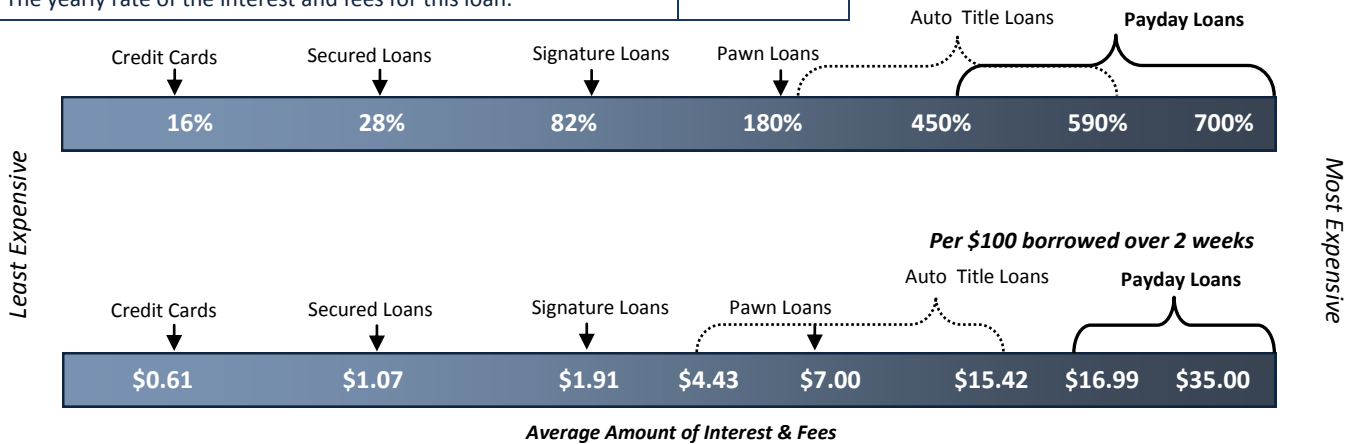
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TOTAL OF FEES The amount you will pay in fees for this loan.	\$996.06
TOTAL OF PAYMENTS (10-PAYMENT, BI-WEEKLY LOAN) The amount you will pay if you repay the loan on time.	\$1505.08
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