Please take a few moments to review the information in this brochure.

It is designed to educate consumers about the extended payment plan for a payday loan which may be available to you if you obtain a payday loan from a licensed payday lender after January 1, 2009. The information is provided in an effort to assist you in making a well-informed decision that meets your personal financial circumstances. You will find a brief explanation about the extended payment plan for payday loans; making partial payments on an extended payment plan; and making a prepayment in full of an extended payment plan. This brochure provides information only on the extended payment plan for a payday loan. Other brochures are available entitled "Consumer Guide to Payday Lending" and "Consumer Guide to an Extended Term Loan".

PLAN FOR THE FUTURE

Borrow only as much as you can afford to repay with your next paycheck while still having enough money for your living expenses. Make a realistic budget. Build some savings. Even small deposits can help to avoid borrowing for emergencies, unexpected expenses or other items. Remember that payday loans are not an effective solution for your long-term financial needs! Keep in mind that payday loans are intended only for short periods of time. Although they are quick and easy to obtain, customers pay considerably higher prices for the convenience of these loans.

CONTACT THE VIRGINIA BUREAU OF FINANCIAL INSTITUTIONS

If you have questions about payday loans, you may contact the Bureau of Financial Institutions toll free at 1-800-552-7945 or through the Internet at www.scc.virginia.gov/bfi.

If you have a complaint about a payday loan, the complaint must be filed in writing and include copies of supporting documentation. Complaints may be mailed to: Bureau of Financial Institutions, Attn: Complaints, P.O. Box 640, Richmond, VA 23218-0640 or may be faxed to Bureau of Financial Institutions, Attn: Complaints at (804) 371-9416.

Brochure design by the Office of Graphic Communications, VA Department of General Services

CONSUMER GUIDE TO AN EXTENDED PAYMENT PLAN FOR REPAYING A PAYDAY LOAN

Virginia State Corporation Commission
Bureau of Financial Institutions

CONSUMER GUIDE TO AN EXTENDED PAYMENT PLAN FOR REPAYING A PAYDAY LOAN

Payday Lending in the Commonwealth of Virginia – Effective January 1, 2009, revised May 1, 2014.

Extended Payment Plans for Payday Loans

If you obtained a payday loan after January 1, 2009 from a licensed Virginia payday lender, you have the option of repaying the payday loan with an extended payment plan, once within any 12 consecutive month period.

If you are eligible for an extended payment plan for your payday loan, the licensed payday lender must verbally tell you at the time that you obtain your payday loan. In addition, a written notice or poster containing information about the extended payment plan must be in each licensed location. Further information about the extended payment plan can also be found in the handout "Borrower Rights and Responsibilities" that your licensed lender gives to you. The information is under "Extended Payment Plans".

If you are eligible for an extended payment plan, you must inform the licensed payday lender that you wish to have an extended payment plan for your payday loan either at the time the payday loan is made or any day up until the loan's due date.

If your payday loan is already past due, an extended payment plan is not available; however, the payday lender may voluntarily accept a repayment plan from you and may not charge you any additional interest, fees, or charges.

If you obtain an extended payment plan for your payday loan, you will not be eligible for another payday loan until 90 days after you have paid the loan in full.

If you enter into an extended payment plan with your payday lender, you will be required to sign an agreement stating you agree to repay the lender the amount owed in at least four equal payments over a term of at least 60 days.

The payday lender may not accept more than one check from you to secure the payday loan. However, you do have the option of providing the payday lender with another check for the remaining amount owed at the time you make a payment on the extended payment plan for your payday loan. The original check securing the payday loan must then be returned to you and you provide the lender with the replacement check in exchange. At your request, the licensed payday lender may print a replacement security check while you are in the office making your payment. The date of the check should be the date the final payment is due under the extended payment plan for the payday loan.

When you make payments under the extended payment plan, you have the right to receive signed, dated receipts showing the payment made and the loan balance due.

Failure to repay your Extended Payment Plan: If you have an agreement to repay your payday loan through equal payments to your payday lender and you fail to make your payment when it is due, the payday lender may immediately declare the balance you owe on the loan due in full.

Partial Payments on an Extended Payment Plan: You have the right to make partial payments on the amounts due under your extended payment plan in advance of the payment due date. Any partial payment must be in increments of not less than $5.00. Any partial payments that you make in advance of the payment due date will not result in a change to the payment schedule or an adjustment of any total interest or loan fee due. Any partial payments made in advance of the payment due date will first be applied to any past due payment and then applied to the next scheduled payment.

Prepayment in Full of an Extended Payment Plan: If you have entered into an extended prepayment plan with your payday lender and you choose to prepay the loan in full before the due dates of the extended payment plan for the payday loan, then you will be paying the $5.00 verification fee and any interest that accrued on the payday loan prior to the extended payment plan, plus an adjusted portion of the loan fee (the loan fee is the 20% fee allowed to be charged on the payday loan).

In an extended payment plan, interest does not accrue during the term of the extended payment plan. However there may be interest which is due to the lender depending on the date you chose the extended payment plan. A specific example of when you would have interest on a payday loan with an extended payment plan would be if you did not choose the extended payment plan for the payday loan at the time you obtained the payday loan.

The amount of the loan fee that the payday lender may charge will also be pro-rated based upon the date the loan was made and the date the loan would have been due if the loan had not been an extended payment plan. This may or may not result in a change to the loan fee, depending on the date of the full prepayment.

Right to Cancel: You have the right to cancel your extended payment plan for your payday loan at any time before the close of business on the next day the lender is open for business, following the date the loan was made. If you cancel your extended payment plan for your payday loan, you must pay the payday lender the amount advanced to you (in cash, certified check, cashier's check, money order, or if the lender is equipped to handle such payments, by credit card, prepaid card, or debit card). The payday lender will not be allowed to charge the verification fee, interest, or the loan fee when you cancel the loan as stated above.

Fifth Payday loan made to a consumer within 180 days / Extended Payment Plan

If you choose to obtain the fifth payday loan within a 180 day period as an extended payment plan, you may only do so if you have not had an extended payment plan for a payday loan within the previous 12 months.