



PAYDAY ALTERNATIVE LOAN (PAL) vs. PAYDAY LOANS

Payday Loan Depot			Air Force Federal Credit Union		
Borrow date	Balance owed		Borrow date	Balanced owed	
10/16/2006	\$ 200.00		10/16/2006	\$ 400.00	
	<u>\$ (35.00)</u>			<u>\$0.00</u>	
	\$ 165.00			\$ 200.00	
		Fee charged for money			Deposited in a Savings \$200.00
		Cash to Member/Borrower			
11/1/2006	\$ 200.00	\$ 35.00	11/1/2006	\$ 368.16	\$ 3.16
11/15/2006	\$ 200.00	\$ 35.00	11/15/2006	\$ 335.70	\$ 2.54
12/1/2006	\$ 200.00	\$ 35.00	12/1/2006	\$ 303.35	\$ 2.65
12/15/2006	\$ 200.00	\$ 35.00	12/15/2006	\$ 270.44	\$ 2.09
1/1/2007	\$ 200.00	\$ 35.00	1/1/2007	\$ 237.71	\$ 2.27
1/15/2007	\$ 200.00	\$ 35.00	1/15/2007	\$ 204.35	\$ 1.64
2/1/2007	\$ 200.00	\$ 35.00	2/1/2007	\$ 171.06	\$ 1.71
2/15/2007	\$ 200.00	\$ 35.00	2/15/2007	\$ 137.24	\$ 1.18
3/1/2007	\$ 200.00	\$ 35.00	3/1/2007	\$ 103.19	\$ 0.95
3/15/2007	\$ 200.00	\$ 35.00	3/15/2007	\$ 68.90	\$ 0.71
4/1/2007	\$ 200.00	\$ 35.00	4/1/2007	\$ 34.48	\$ 0.58
4/15/2007	\$ 200.00	\$ 35.00	4/15/2007	\$ -	\$ 0.24

Balance owed after 6 months **\$ 200.00** **\$ 420.00**
 Total fees paid to PayDay Lender

Balance owed after 6 months **0.00** **\$ 19.72**
 Total interest paid to AFFCU

The Payday Loan example above assumes that borrower is unable to repay the loan in full and continues to owe \$200 for the entire six months while paying the semi-monthly \$35 fees.

Air Force FCU loan example above based on **18.0% annual percentage rate** with 12 semi-monthly payments of \$35.00. You have the option to select a payment that you are comfortable with.

You do not have to have established credit to qualify for this loan. As long as you have not defaulted on loans & are not currently subject to a bankruptcy petition, you will be granted the loan.

\$5 savings & \$25 checking account with AFFCU required & allotment for payment.

