

< Detach Here

Enclose the above coupon with payment.

Detach Here



Statement Date: JULY 24.

Account Number: [REDACTED]

Payment Due Date: 08/14

Dear [REDACTED]:

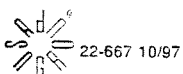
This bill represents the current payment due for your education loan(s). Please return your payment to the above address with the above coupon to ensure accurate and timely posting to your account. Do not send cash. Remember to include your account number on your check.

Your last payment of \$50.00 was received on 07/16 If you would like to repay your loan in full, send the total Payoff Amount shown below to the address listed on Item 6 on the back of this form. Payoff payments must be sent to this address. This payoff amount is estimated 10 days from the statement date above.

If you have any questions, please contact our office at (877)872-4768 or at our web site www.usagroup.com.

BILLING INFORMATION

DISBURSEMENT DATE	LOAN PROGRAM	ORIGINAL LOAN AMOUNT	INTEREST RATE	PAYOFF AMOUNT	CURRENT AMOUNT DUE	AMOUNT PAST DUE	LATE CHARGES	OTHER FEES	AMOUNT DUE
08/06	STF3	\$2,450.00	6.920%	\$2,569.04	\$50.00	\$0.00	\$0.00	\$0.00	\$50.00
				\$2,569.04	\$50.00	\$0.00	\$0.00	\$0.00	\$50.00



22-667 10/97

See Reverse Side For Important Information

52 weeks/year
26 2 week periods per year

I just returned from a local "Payday Lender" in Boone. Since some of us are doing Finance in Mat1010, I thought I might pass on what I learned. They have several nice brochures which they were glad to give me. These insure me that they are experienced professionals with only good intentions toward me...and that they won't come after me with criminal charges (only civil). There are no numbers in the brochures.

Here's the deal as I understood it. Within 2 weeks of my next paycheck I can come in and (if I qualify), write a check to them for \$117.50 and receive \$100 cash at that time. Then, when I get paid, I bring \$117.50 in cash to their office and buy back my check. If I don't show up, they deposit my check, and if it bounces I will owe "returned check charges", plus the amount, and then it's on to a collection agency.....with potential civil charges if I don't pay. I have the brochures if anyone is interested.

The numbers are posted on sheets taped to the counter. When I asked for a copy, they said no. I wrote down the following, which are several of the increments listed:

Ann Perc Rate	Finance Charge	Amt Financed *	Total of your ck
456.25%	\$8.75	\$50	\$58.75
451.90%	13.00	75	88
456.25%	17.50	100	117.50
460.08%	45	300	345

The person at the store said that the annual percentage rates were indeed alarming, but were the percentage rate you would be paying IF you used their service every two weeks for a year. When I expressed concern about paying 17.5% interest for having \$100 for two weeks time, the person there informed me that a lot of credit cards had higher interest rates than that.... In all fairness, she said twice that it was not designed to be a long term solution, and she counsels the people who are doing this every two weeks that they should find an alternative.

2 week interest!!

Hutch Sprunt

false!

Credit card might be 20% annual rate ie $\frac{20\%}{26} = .769\%$
much less than 17.5% for 2 weeks!