

Instructions to Illinois EROs Providing Refund Advance Loans

(for 2019 filing season)

Illinois state law requires you to post certain specified information to all applicants for our Refund Advance Loan.

We are providing you with a wall poster to aid your compliance with applicable law. The second table much include APR calculations according to Illinois law:

“Refund anticipation loan interest rate” means the interest rate for a refund anticipation loan calculated as follows: the total amount of refund anticipation loan fees divided by the loan amount (minus any loan fees), then divided by the number of days in the loan term, then multiplied by 365 and expressed as a percentage. The total amount of the refund anticipation loan fee used in this calculation shall include all refund anticipation loan fees as defined in this Section. If a deposit account is established or maintained in whole or in part for the purpose of receiving the consumer's tax refund to repay the amount owed on a refund anticipation loan: (i) the maturity of the loan for the purpose of determining the refund anticipation loan interest rate shall be assumed to be the estimated date when the tax refund will be deposited in the deposit account; and (ii) any fee charged to the consumer for such deposit account shall be considered a loan fee and shall be included in the calculation of the refund anticipation loan interest rate. If no deposit account is established or maintained for the repayment of the loan, the maturity of the loan shall be assumed to be the estimated date when the tax refund is received by the creditor.”

The actual poster is required to be a minimum of 16” by 20” inches in size. For your reference, we have included a reduced-size sample of the poster on the following page. **To comply with state law, you must post a full-size poster, not the sample included on the next page.**

Please Note: There may be additional state, city, or local provisions on placement of this poster and translations of this poster, as well as other provisions for additional required disclosures. **Illinois has strict requirements regarding fees and calculation of APR.** Noncompliance could result in financial or criminal penalties. Additionally, we are required to suspend your account with us if you do not comply with applicable state law.

Attached you will find a one-page disclosure.

NOTE: These forms are provided by us as a courtesy. We do not make any representations or warranties that these forms comply with the disclosure requirements for tax refund products or taxpayer advances that may meet the definition of refund anticipation loans under state law. Please seek the opinion of your own attorney regarding pertinent state laws governing your offering of tax refund products or taxpayer advances in your state to ensure your compliance with all applicable state laws.

NOTICE CONCERNING REFUND ANTICIPATION LOANS

► When you take out a refund anticipation loan, you are borrowing money against your tax refund. **YOU CAN USUALLY GET YOUR REFUND IN 8 TO 15 DAYS WITHOUT PAYING ANY EXTRA FEES AND TAKING OUT A LOAN.** You can have your tax return filed electronically and your refund direct deposited into your own bank account without obtaining a loan or paying fees for an extra product.

► Loans are available in four possible increments: (1) \$500, (2) 25% of expected tax refund at no fee or interest, (3) 50% of expected tax refund at 36% APR, or (4) 75% of expected tax refund at 36% APR. **Examples below are based on an expected tax refund amount of \$5,200.**

AMOUNT FINANCED The amount of credit provided to you or on your behalf.	ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled.
\$500	0.00%	\$0.00	\$500.00
\$1,300 (25% of expected refund)	0.00%	\$0.00	\$1,300.00
\$2,600 (50% of expected refund)	36%*	\$61.55*	\$2,661.55*
\$3,900 (75% of expected refund)	36%*	\$92.32*	\$3,992.32*

► The fee for a Refund Advance Loan is **set forth in the examples above**. If you do apply for a Refund Advance Loan and also purchase a Refund Transfer, your fee for the first tax refund received is **\$39.95**. If you receive more than one tax refund through the Refund Transfer, there is an additional fee of **\$12.00**. A Refund Transfer is optional and is not required to obtain a Refund Advance Loan.

► The "refund anticipation loan interest rate," calculated as set forth in the Illinois statute § 815 ILCS 177/5, is as follows:

Amount of Approved Refund Advance Loan	Interest Rate <u>without</u> Optional Refund Transfer	Interest Rate <u>with</u> Refund Transfer and One Tax Refund Received (\$39.95 in RT Fees)	Interest Rate <u>with</u> Refund Transfer and Multiple Tax Refunds Received (\$51.95 in RT Fees)
\$500	0.00%	121.5%	158.0%
\$1,300 (25% of expected refund)	0.00%	46.7%	60.8%
\$2,600 (50% of expected refund)	36%*	59.4%*	66.4%*
\$3,900 (75% of expected refund)	36%*	51.6%*	56.3%*

* *Estimated amount assuming loan repaid in full within 24 days of electronically filing. Early payments and partial payments may decrease the amount of interest owed. Late Payments may increase the amount of interest owed; however, the interest will cease to accrue after 45 days.*