

TIP SHEET

When shopping for credit – a cash loan, a credit card, any purchase – keep the following in mind:

Budget

Help your lender make a responsible decision, disclose all income and monthly expenses.

Shop, Shop, Shop

Compare the cost of credit from different lenders. “Buy credit like you would buy anything else.

Beware of “now or never” offers.

If it’s a good deal, it will probably still be there after you’ve had time to think about it.

Ask Questions.

You are the consumer; you wouldn’t buy a car without knowing its features.

Read the contract.

Don’t just sign it because you feel pressured. The most common excuse given by the consumers with a complaint is they “trusted” the salesperson and didn’t read the contract.

Don’t sign anything you don’t understand completely.

Better to understand before the fact than after.

Don’t sign anything if it has any blanks.

A signed contract with blanks can be completed as anyone wishes and it will be legally binding.

Keep all paper work

If there are any questions, you’ll have your agreement in writing.

“Putting the Consumer First”

COMPLAINT PROCESS

Most lenders understand the value of good customer relations. If you have a problem with your lender, a complaint can be filed either with the company’s home office or the state agencies who regulate these companies. Usually a WRITTEN request to the lender is the easiest and quickest way to get the facts and the help you need.

Listed below are the names and addresses that you may contact.

BELEN CONSUMER FINANCE

ATTENTION: MANAGER

P.O. 603/700 DALIES AVE.

BELEN, NM 87002

(505) 864-1905

This business is regulated by the

**Financial Institutions Division
2550 Cerrillos Rd., 3rd Floor
Santa Fe, NM 87505
Phone 505-476-4885**

IMPORTANT CONSUMER INFORMATION

This brochure contains some common terms and definitions, which are intended to help you better understand your credit transaction. Credit costs money, so it is important that you fully understand the terms of your credit transaction. If you come across terms you do not understand, look up the terms or ask our personnel to explain the terms to you. Ask questions. Make certain the questions that you ask are answered. Make certain you understand the terms and the costs of your loan.

COMMON TERMS AND DEFINITIONS

1. Equal Credit Opportunity Act (ECOA) A federal regulation which requires lenders to promote the availability of credit to all creditworthy applicants without regard to race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to contract); to whether all or part of the applicants income derives from a public assistance program; or the whether the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The regulation prohibits creditor practices that discriminate on the basis of any of these factors.

2. Contract. A written binding document describing terms of an agreement between two or more persons. (Keep all paperwork. Later, if there are any questions, you will have your agreement in writing.)

3. Annual Percentage Rate (APR). The cost of your credit as a yearly rate. This measures the cost of the credit expressed as a yearly interest rate. It is intended to provide a single value for a consumer to compare the cost of credit between one lender and another

4. Finance Charge. The dollar amount the credit will cost you. Finance charges include interest, and may also include transaction fees and service fees.

5. Principal. The amount of the money owed on a debt, on which interest is calculated.

6. Interest. The cost of borrowing money, generally a percentage of the amount owed.

7. Balance. The total amount of money owed to a lender.

8. Default. Failure to pay a debt as agreed to on a contract. When a loan is in default, the lender may demand full payment of the remaining debt.

9. Collateral. Security pledged by a borrower to protect the interests of the lender; in case of default, the lender may take ownership of the security, if any, pledged by the borrower.

10. Credit Bureau. A private company that keeps a record of your credit history for distribution upon request by authorized parties. When you apply for credit, a lender may request a credit report to review when considering your application.

11. Credit History. A record containing information about you, including your payment history on previous debts.

12. Credit Report. A report of the credit history and other information about you that is kept by credit bureaus, which may include: your name, address, social security number, payment history (good and bad), current and previous debts, employers, income, etc. Accurate information on a credit report may not be legally removed. Incorrect information may be removed by disputing the information to the credit bureau involved.