

**Comparison of Allowable Interest Rates and Fees for Consumer Loans
Under the California Finance Lenders Law
and the California Deferred Deposit Transaction Law**

California Finance Lenders Law

	<u>Permitted Loans</u>	<u>Term Limitations</u>	<u>Interest Rate</u>	<u>Origination Fee</u>	<u>Delinquency Fee</u>	<u>Dishonored Check Fee</u>
Loans under \$2,500	Consumer or commercial secured or unsecured loans, but no real property as collateral for secured loans.	<ul style="list-style-type: none"> - No minimum number of payments. - First payment cannot be less than 15 days or more than 45 days from loan date. - Principal amount of loan less than \$500, maximum term of 24 months and 15 days. - Principal amount of loan \$500 but less than \$1,500, maximum term of 36 months and 15 days. - Principal amount of loan \$1,500 but less than \$3,000, maximum term of 48 months and 15 days. 	<ul style="list-style-type: none"> - 2 ½ % per month on unpaid principal balance of any loan up to, including \$225. - 2% per month on unpaid principal balance in excess of \$225 up to, including \$900. - 1 ½ % per month on unpaid principal balance in excess of \$900 up to, including \$1,650. - 1 % per month on any remainder of unpaid balance in excess \$1,650. - No interest or fees permitted unless loan is made. 	5 % of the principal amount or \$50, whichever is less.	<ul style="list-style-type: none"> - Maximum of \$10 if not less than 10 days in default, or - Maximum of \$15 if not less than 15 days in default. - Only one delinquency fee per default payment. 	\$15 maximum
Loans from \$2,500 to under \$5,000	Consumer or commercial secured or unsecured loans, but no real property as collateral for secured loans.	<ul style="list-style-type: none"> - No minimum number of payments. - First payment cannot be less than 15 days or more than 45 days from loan date. - Principal amount of loan \$3,000 but less 	No interest rate cap	- Maximum of \$75 on loans greater than \$2,500.	<ul style="list-style-type: none"> - Maximum of \$10 if not less than 10 days in default, or - Maximum of \$15 if not less than 15 days in default. - Only one delinquency fee per default payment. 	\$15 maximum

		than \$5,000, maximum term of 60 months and 15 days.				
Loans from \$5,000 to under \$10,000	Consumer or commercial loans (unsecured, secured by personal property or secured by real property as collateral.)	- No minimum number of payments. - First payment cannot be less than 15 days or more than 45 days from loan date. -No limitation on number of payments.	No interest rate cap	No limitations	No limitations	\$15 maximum
Loans above \$10,000	Consumer or commercial loans (unsecured, secured by personal property or secured by real property as collateral.)	No limitations	No interest rate cap	No limitations	No limitations	\$15 maximum

Affordable Credit-Building Opportunities Program

	<u>Permitted Loans</u>	<u>Term Limitations</u>	<u>Interest Rate</u>	<u>Origination Fee</u>	<u>Delinquency Fee</u>	<u>Dishonored Check Fee</u>
Affordable Credit-Building Opportunities Program	Unsecured loans from \$250 to under \$2,500.	- First payment cannot be less than 15 days or more than 45 days from loan date. - Not less than 90 days for loans less than \$500. - Not less than 120 days for loans at least \$500, but less than \$1,500. - Not less than 180 days for loans at least \$1,500.	- 2 ½ % per month on unpaid principal balance of the loan up to and including, \$1,000. - 2 1/6 % per month on the portion of unpaid principal balance of the loan in excess of \$1,000. -Rates on subsequent loans may be required to be made at reduced rates under certain	5 % of the principal loan amount or \$65 whichever is less, and only one origination fee in any six-month period, and only one origination fee per loan.	- Maximum of \$12 if not less than 7 days in default, or - Maximum of \$18 if not less than 14 days in default - Only one delinquency fee per delinquent payment and no more than 2 delinquency fees in 30-consecutive day period. - Limitations on delinquency fees for	\$15 maximum.

			circumstances.		a borrower who is 180 days or more past due.	
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California Deferred Deposit Transaction Law

	<u>Permitted Loans</u>	<u>Term Limitations</u>	<u>Interest Rate</u>	<u>Origination Fee</u>	<u>Delinquency Fee</u>	<u>Dishonored Check Fee</u>
Payday Loans	Unsecured loans up to \$300.	Maximum term of up to 31 days, but no statutory minimum term (lenders typically make loans for a two-week term).	A fee of 15 percent of the face amount of the check. Face amount cannot exceed \$300.	NA	None	One-time \$15 fee for a dishonored check.