



Know Your Lender CONSUMER ADVISORY

To protect themselves against scam artists and abusive, illegal fees, it's important for consumers to ensure they're dealing with reputable and licensed lenders. When they come across loan solicitations in the mailbox, email or on the Web, they should study them with a careful eye and exercise good judgment.

KNOW YOUR LENDER *BEFORE* YOU BORROW!

The Department of Business Oversight (DBO) protects consumers and businesses engaged in loan transactions. To do that job, the DBO licenses and regulates a variety of lenders, including payday lenders and other non-bank consumer finance lenders. Before signing a loan agreement, consumers should always check the Licensee Search page on the DBO website to find out if the lender is licensed to do business in California (<http://www.dbo.ca.gov/FSD/Licensees/default.asp>). Consumers also can learn a lender's licensing status by calling the DBO at (866) 275-2677.

To see if the DBO has taken enforcement actions against a lender, check the DBO website's Enforcement Actions and Orders page (http://www.dbo.ca.gov/Enforcement_Search.asp). Actions may be searched by firm name or by date.

DANGERS OF USING UNLICENSED LENDERS:

- Unlicensed lenders may illegally collect from your bank account directly without your permission, even if you are unable to repay the loan.
- It's more likely you will be charged rates that are far higher than California law allows.
- Unlicensed lenders might sell or pirate personal financial information.
- Unlicensed lenders often operate out-of-state or offshore, making it hard to track them down and recover your lost funds if they violate the law.

Using a licensed lending company helps protect consumers from poor disclosures, misleading advertising, unlawful terms and excessive rates.

If you wish to file a formal complaint against an unlicensed lender, visit the DBO website and submit a Consumer Complaint Form (http://www.dbo.ca.gov/Consumers/consumer_services.asp). For assistance, call DBO toll-free at (866) 275-2677.

***MAKE SURE YOU ARE FULLY INFORMED ABOUT LENDERS
BEFORE YOU OBTAIN THEIR SERVICES.***

www.dbo.ca.gov 1-866-275-2677