



Borrow Smart Alabama asks consumers to borrow carefully during economic crunch

October 27, 2008 – Montgomery, Ala. – Cash advance and title lenders across Alabama who are members of the Borrow Smart Alabama program are posting fliers in their stores this week encouraging customers to think carefully before borrowing during the current economic recession.

Although Borrow Smart members have had some inquiries from potential new customers, the industry has not seen a significant increase in loans during the current economic down-turn. The fliers going up this week simply read:

As our nation faces tough economic times, members of Borrow Smart Alabama want you to know that we are here to be a part of the solution. Our loans offer short term help to people facing a temporary, emergent financial need. Because we care about your financial health, we ask you to borrow smart especially during this challenging time.

“We want to be there to help if it makes sense for the customer,” said Charles Hunter, spokesman for Borrow Smart. “Our loans can work great as a solution to an immediate, short term financial need, but they are not a long term solution.”

Cash advance loans, also known as payday loans, typically have a 14 day repayment term. Laws in the state only allow one extension. Title loans are typically extended for 30 days.

The Borrow Smart network consists of more than 300 stores in Alabama, having grown its membership from 200 after its launch in 2007. Members have committed to a Code of Fair Lending, which promises fairness, honesty and integrity in all business practices, specifically noting that members will promote the responsible use of credit and strive to educate the consumer on financial choices that are available to them.

The Borrow Smart initiative includes in-store education as well as a newly launched community education program focused on teaching young people to budget and save.

Find the complete Code of Fair Lending at the organization’s Web site, www.borrowsmartalabama.com. The Web site also includes a copy of the recently posted flier, a store finder for Borrow Smart approved member stores and video testimonials from customers who have used short terms loans.

For more information, members of the media should contact Robin Oliver at (205) 322-5646 ex. 103 or roliver@borrowsmartalabama.com.

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The Council for Fair Lending is a not-for-profit trade organization with more than 300 member stores in the state of Alabama. CFL's mission is to educate our customers and the media about short term lending, to ensure fair treatment of customers and to honor them by protecting the future of our industry.