



# FAST FACTS

## CEO Credit Building Ladder Loans



**What is CEO?** Visit us at [www.irc-ceo.org](http://www.irc-ceo.org)

The IRC's Center for Economic Opportunity (CEO) is a national, non-profit financial institution that offers small-dollar consumer and business loans to New Americans and other credit-thin individuals. We offer practical loans at affordable rates that promote upward economic mobility of our borrowers.

### What is the CEO Credit Building Ladder?

CEO's Credit Building Ladder is a series of three (3) installment loans – all with 0% APR – that help borrowers build credit over several years. Here's how it works:

1. Start with a \$100 loan, payable over 6 months. If the loan is repaid without any late payments, you are **automatically approved** for the \$300 2<sup>nd</sup> loan.
2. If you repay the \$300 2<sup>nd</sup> loan on time over 8 months, you are **automatically approved** for a \$1,000 3<sup>rd</sup> loan payable over 20 months.

If you complete the Credit Building Ladder, making all payments on time, you will benefit in a number of ways:

- a. You will show 34 on-time payments on your credit history
- b. You will have three (3) installment loans opened and paid in-full
- c. You will not have any hard inquiries
- d. You will pay **LITERALLY ZERO (\$0) DOLLARS** over the entire 2.5 years!

If combined with properly managed revolving debt like secured credit cards, borrowers have achieved prime FICO scores (700+) within approximately 12 months. For those that may already have damaged credit, the benefits of the Credit Building Ladder will vary significantly and likely depend on additional steps you take to improve your credit. Ask a financial coach for more guidance.

### Who can apply and how does it work?

Anyone that completes one of our partner's training on credit may start on the first Credit Building Ladder - no additional approval required. To move up to the next step in the Ladder, borrowers must simply repay their current loan on-time.

At each step, a quick check-in with your Financial Coach is required to review the impacts of the previous loan and submit for the next round.

<b>CEO Credit Ladder Loan Terms</b>				
<b>Credit Ladder</b>	<b>Loan Amount</b>	<b>Months to Repay</b>	<b>Monthly Payment</b>	<b>Interest &amp; Fees*</b>
1st Rung	\$100	6	\$16.67	0%
2nd Rung	\$300	8	\$37.50	0%
3rd Rung	\$1,000	20	\$50.00	0%

\*Requires enrolment in CEO's FREE Digital Package, which includes electronic loan disbursement, automatic repayment, e-mailed monthly account statements and SMS text message reminders.

- ✓ **No hidden fees**
- ✓ **No late fees**
- ✓ **No insufficient funds fees**
- ✓ **No prepayment penalties**
- ✓ **No strings!**

## Other things to consider

- ✓ **Borrowers must successfully make all scheduled payments on one Credit Ladder loan before proceeding to the next.** Borrowers that miss a payment may re-attempt a new loan at the same level of the Credit Ladder for a maximum of two attempts. For example, if you had a late payment on your \$100 loan you won't be able to get the \$300 follow-up. Instead, you can try again with another \$100 loan and proceed to the \$300 if there's no late payments.
- ✓ **A minimum of six months must pass in between Credit-Building Ladder loans.** Borrowers may always pay off their loans in full at any time without any financial pre-payment penalty.
- ✓ **If you already have negative information on your credit history, the effects of the Credit Building Ladder will vary greatly** and be determined by other steps you might take over the course of your time using these loans. We suggest consulting with your Financial Coach for other resources to develop a broader credit-building plan and to view CEO's Credit Ladder as simply one tool available to you.
- ✓ **CEO does not consider credit score nor conduct hard inquiry credit checks for any level of Credit Ladder applications.**
- ✓ While the Credit Building Ladder exists only to help borrowers build credit, like all CEO loans, non-payment **may harm your credit history!**

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## How to apply

1. Contact your local office to complete a CEO Credit Building Ladder Loan Application and have a Financial Fitness Check-in with your Financial Coach. Here are the items you'll need:
  - ✓ Personal e-mail address
  - ✓ Valid government-issued photo ID
  - ✓ US Bank account + voided check/ Direct Deposit Form
2. Your financial coach can help you complete a loan application. Loan decisions will be made within 3-5 business days.
3. If approved, you will need to review and electronically sign the contract.
4. Funds are sent via electronic deposit and are available in one (1) or two (2) business days after signing of loan contract, depending on bank processing times.

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**Your local contact will be able to answer any additional questions you might have.**

For California Residents

-CA FINANCE LENDER'S LICENSE #60DBO54868

-LOANS MADE OR ARRANGED PURSUANT TO CALIFORNIA FINANCE LAW LICENSE

-FOR INFORMATION CONTACT THE DEPARTMENT OF BUSINESS OVERSIGHT, STATE OF CALIFORNIA