

Realities of Cash Advances (1/2)

Directions

Search for “cash advance,” “title pawning,” or “tote the note” online. Use the guided research sheet to record information and answer questions related to these services

Website _____

Name of Company _____

- ❶ What pictures and information are used on the home page, and what ideas do they convey?

- ❷ How does this service work?

- ❸ What other images are used within this site, and how does that relate with what they are selling?

- ❹ What are some of the promises or guarantees that the company makes? How does it attempt to position itself as a service provider? Give at least five observations below.

- ❺ What are the exact terms of use for this service? Think about fees, payback time, interest rate, and so on.

- ❻ Research the company with the Better Business Bureau (www.bbb.org) to find out if there is additional information about this company.

- ❼ How difficult was it to discover the exact terms of the service? Why aren't those terms listed prominently, where a person can see them clearly and easily?

Realities of Cash Advances (2/2)

- 8 Look at some of the FAQs (Frequently Asked Questions). Which questions or answers surprised you the most? Why?

- 9 Go back to the guarantees or promises in question 4. Consider everything you've learned about this business, and explain how this business keeps borrowers in a cycle of debt.

- 10 Analyze the information, and assess why some critical components (terms, fees, interest rates) are not listed. Write a paragraph refuting the myth that cash advance/payday lending are financial services for lower income people that help them get ahead using the facts gathered.

Note: Alternative activity for number 10: Create a public service poster or commercial displaying the realities surrounding the payday lending industry.