



[LIFE . SHARED .]

Frequently Asked Questions About Loan Due-Date Changes

Q. Why is 1A making changes to certain loans?

A. The United States Congress created and the President signed a new bill called the “**Credit Card Act of 2009**”. While the bill was originally targeted to make sweeping changes to how credit card issuers operate, the bill also included language that affects ALL open-end loans. The majority of loans at 1st Advantage Federal Credit Union are open-end. Thus, we were required to make these changes to comply with the new regulations.

Q. Why would my loan due date be changed to the 27th?

A. One of the provisions of the law requires that the financial institution mail notice to the borrower at least 21 days in advance of the actual payment due date. To meet this requirement, 1A will now include a notification of your due date on your monthly statement. Since the statements are usually mailed before the 6th of each month, moving the due date to the 27th of each month allows the proper notification to you, the member, about your next loan payment.

Q. When is 1A changing the due dates?

A. All due dates will be adjusted by August 20, 2009.

Q. My loans are on payroll deduction/automatic transfer/paid through direct deposit. How will this be affected?

A. If your loans are automatically paid through payroll deduction, direct deposit, or an automated transfer, you do not need to do anything. Your payments will continue as always, whether they are set up as weekly, biweekly, twice a month, or monthly.

Q. Each month I mail a check to pay my loan. How will I be affected?

A. There will be no change. You may continue to send your check monthly to pay your loan. To assure timely payments and added security, our call center would be happy to assist in setting up automatic payments or transfers for your loan. They may be reached at 757-886-3333.

Q. I want to keep paying my loan on the date I already have. That fits into my budget. Do I have to change?

A. No. You may continue to pay your loan on the same day as before, as long as you make your monthly payment by the due date.

Q. Will my monthly payment amount remain the same?

A. Yes. All of the other terms of your loan will remain the same, including the monthly payment amount. All that is changing is the due date.

Q. Will my interest rate change?

A. The interest rate will remain as initially agreed upon.

Q. Do I have to sign new loan papers to make this change take effect?

A. No. The loan disclosure that you signed when you originally took out your loan allows 1st Advantage to make changes to your loan, with prior notice. You received a copy of this disclosure along with the copies of your loan papers. The message on your statement that you received in September is the “prior notice”.

Q. Will this affect my credit report or rating?

A. As long as you continue to make your regularly scheduled payments by the due date, there will be no negative effect on your credit report or rating. If you have any other questions or wish to discuss this further, please contact the Credit Union.