

UMECU PAL LOAN POLICY

03/18/20

The Payday Alternative Loan (PAL) is a quick and simple loan to process that is designed for members as an alternative to high interest loans. Any member, 18 years and older, is eligible for approval by a Credit Union Loan Officer.

Maximum Amount: \$1k (9 month member/employed w/entity)

Rate: 24.0% Fixed (12% for 6 mos.)

24.5% Fixed for non-payroll deducted (12.25% for 6 mos.)

Loan Application Fee: \$25

Repayment: \$1,025 13 b/w payroll deductions \$84 or 19 b/w \$59

6 mos. @ \$183/mo. Or 9 mos. @ \$126 per mo. Non payroll deducted

\$775 – 13 b/w \$64 or 6 mos. @ \$139 per mo. non prd

\$525 - 10 b/w \$55 or 5 mos. @ \$112 per mo. Non prd

Requirements:

Applicants must be a member or employed w/entity for 9 mos.

Applicants will have no delinquent loans with UMECU in the past 6 months and no bankruptcy

Discharged within the past year.

PAL applicants must sign a loan agreement.

Applicants may not have more than one PAL loan, a PAL loan must be paid in full before another is issued. A PAL loan may not be refinanced.

Due to the nature of this loan, no credit check or debt ratio calculation is required, and loans may be distributed by a Loan Officer.