

WHO CHOOSES NON-BANK CONSUMER FINANCIAL SERVICES AND WHY?

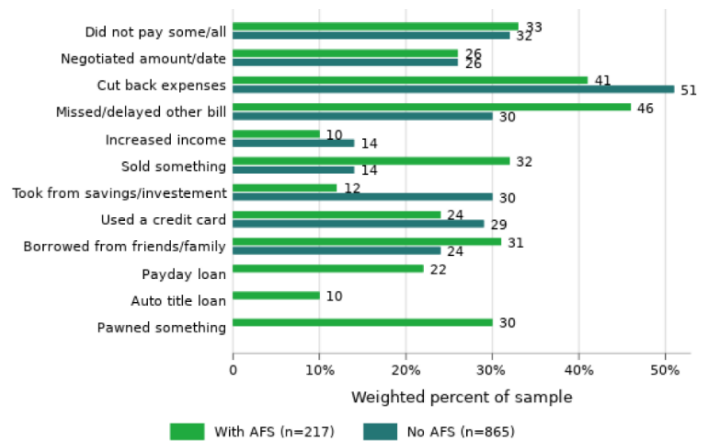
Community-based consumer financial services providers fill a gap in the market that other financial institutions have chosen not to fill. INFiN members ensure customers’ needs are heard and met, providing broad access to a range of financial services designed to help consumers attain greater financial experience, security, and upward mobility.

More than one-third of Americans (37 percent) report that if faced with a \$400 unexpected expense, they would have difficulty covering it, while many (12 percent) would not be able to cover it by any means, according to a 2020 report from The Federal Reserve Board. For millions of hardworking, middle-income Americans, regulated small-dollar consumer loans help to bridge this gap – providing them with critical access to financial stability.

Weighing All Their Options

A Consumer Financial Protection Bureau (CFPB) report released in May 2021, drawing insights from the “Making Ends Meet Survey,” reveals that consumers who use small-dollar credit and those who don’t take many of the same actions when confronting challenges paying a bill or expense, oftentimes at the same rates. Consumers who use consumer financial services, which the Bureau refers to as “AFS,” may have multiple credit options – including available balances on their credit card – or they may not consider other options because they have recently been declined or because they expect they will be declined credit. Simply put, when faced with a gap in their finances or an urgent need, consumers carefully weigh all of time options, including the costs and consequences of not meeting an obligation, to determine what makes the most sense for their individual circumstances.

What consumers do when they had difficulty paying a bill or expense



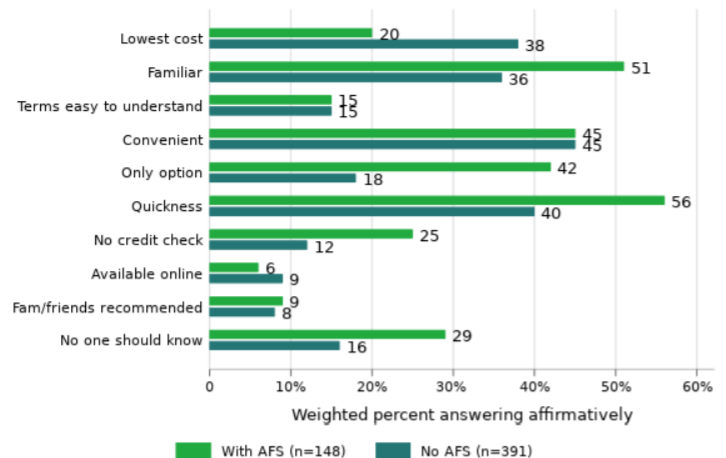
Why Consumers Choose Consumer Financial Services

The CFPB also examines the reasons consumers select their method for borrowing, finding that consumers who choose small-dollar credit from non-bank providers do so because they find these services to be simple, familiar, cost-competitive, discreet, timely, and transparent – including when compared to other more traditional options.

In making this comparison of options, millions of hardworking consumers facing trouble paying an expense choose to utilize consumer financial services because these products and services match the needs they are confronting – and not strictly based on price.

With state-licensed locations, integrated services across channels, and a commitment to regulatory compliance, INFiN members offer convenience, reliability, and a safe, regulated placed for conducting financial transactions.

Reasons for selecting consumer financial services vs. other options



Source: Consumer Financial Protection Bureau. (2021) Consumer use of payday, auto title, and pawn loans.