



FEDERAL CREDIT UNION

CONCORD FEDERAL CREDIT UNION LOAN PRODUCTS Q&A's

Question		Fully Secured Loan	Partially Secured Loan	Empowerment Loan
1	Is this a secured loan? Is there collateral that can be accessed in the event of delinquency?	Yes	No	No
2	What is the amount of the collateral?	100% of the amount borrowed.	N/A	N/A
3	What is the minimum amount that can be borrowed?	\$300	\$300	\$300
4	What is the maximum amount that can be borrowed?	N/A	\$30,000	\$6,000
5	What is the base APR (annual percentage rate or interest rate)? See Note below.	5.5%	8%-11%	15%-18%
6	What is the required FICO score?	N/A	600+	below 600
7	Is there a pledge* required?	No	Yes	Yes
8	What is the amount of the required pledge?	N/A	10%-20%	33%
9	May the pledge be taken from the loan proceeds?	No	No	Yes
10	Can the pledge be used to make loan payments?	No	No	No
11	Does the pledge earn dividends?	Yes	Yes	Yes



FEDERAL CREDIT UNION

CONCORD FEDERAL CREDIT UNION LOAN PRODUCTS Q&A's

Question		Fully Secured Loan	Partially Secured Loan	Empowerment Loan
12	Is there any penalty for pre-paying the loan?	No	No	No
13	What is the application fee?	\$25	\$25	\$10
14	Are there any restrictions on how the loan proceeds be used?	No	No	No
15	What is the maximum loan term (in months)?	48	48	36
16	Is Financial Literacy Training required?	No	No	Yes
17	What is the frequency of loan payments?	Monthly	Monthly	Monthly
18	What is the grace period?	15 days	15 days	15 days
19	What is the amount of the late charge?	\$10	\$10	\$10
20	How can payment be made?	The borrower can send a check to the credit union or bring it (or cash) to the credit union. The borrower can send an ACH transfer to the credit union or transfer funds from his/her shares to cover the payment.		
21	Can this loan be subject to promotions and loan sales?	Yes	Yes	No
22	Is loan activity reported to the credit bureaus?	Yes	Yes	Yes



FEDERAL CREDIT UNION

CONCORD FEDERAL CREDIT UNION LOAN PRODUCTS Q&A's

Question		Fully Secured Loan	Partially Secured Loan	Empowerment Loan
23	Once the application and required documentation is submitted, how long does it take for the Credit Union to make a decision?	48 hrs	48 hrs	48 hrs
24	May loan applications be submitted online?	No	No	No

* A **pledge** is an amount of funds (expressed as a percentage of the loan amount) that must remain on deposit at the Credit Union for the life of the loan. It is not security or collateral for the loan. After diligently making payments and paying off the loan, the borrower will have “earned” the pledged funds and have access to a ready “nest egg”. If the loan becomes delinquent and is deemed uncollectible, the pledge is applied to the loan balance prior to sending the loan to Collections.

Note: With the exception of the Fully Secured Loans, the APR that is offered to the applicant is determined by the underwriting process. The applicant’s ability to re-pay, credit history, income, expenses and debt-to-income ratio are analyzed in order to determine the appropriate APR.