

ACCOUNTABLE.US consumeraction CFA Consumer Federation of America



March 14, 2023

*Submitted online at FDIC.gov*

The Honorable Martin Gruenberg, Chairman  
Federal Deposit Insurance Corporation  
1776 F Street, NW Washington, DC 20006

**Re: Community Reinvestment Act examination of FinWise Bank**

Dear Mr. Gruenberg:

Accountable.US, Americans for Financial Reform, Center for Responsible Lending, Consumer Action, Consumer Federation of America, National Consumer Law Center (on behalf of its low-income clients), National Community Reinvestment Coalition, Public Citizen, US PIRG and the Woodstock Institute submit these comments in connection with the Community Reinvestment Act (CRA) examination of FinWise Bank. FinWise Bank helps several nonbank lenders make predatory loans at rates up to 160% annual percentage rate (APR) that they cannot legally make directly. The loans that FinWise facilitates are not only usurious; they also pose a host of other consumer protection problems and potential legal violations.

This comment letter focuses on three of FinWise Bank's partners: American First Finance, Elevate Credit, Inc. (making installment loans through its brand Rise Credit), and Opportunity Financial ("OppFi"). These FinWise partners make loans with rampant problems, including unaffordable APRs, high default rates, debt collection abuses, credit reporting errors, and loans made as a result of identity theft.

Section I of this comment letter summarizes the types of problems that these FinWise partners' transactions display, and Sections II, III, and IV detail the complaint records of FinWise partners' American First Finance, Elevate's Rise loans,<sup>1</sup> and OppFi.

Notably, the problems with the loans made by American First Finance ("AFF") through FinWise Bank appear to be even more severe than those posed by the EasyPay Finance loans facilitated

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<sup>1</sup> Elevate also offers high-cost lines of credit through its Elastic brand and rent-a-bank Republic Bank and Trust. The CFPB complaints we have included in this letter are limited to Rise. Most of the Better Business Bureau complaints also appear to deal with Rise, but it is possible that some are Elastic.

by another FDIC-supervised bank, Transportation Alliance Bank (“TAB Bank”), which received a downgrade of its CRA rating. AFF has a similar business model to EasyPay Finance, lending through brick-and-mortar retailers and with numerous complaints about deception as to the interest rates and no-interest payment period. AFF has *more than twice as many* Better Business Bureau complaints against it in recent years as EasyPay. The loans made by FinWise Bank partner Elevate Credit under its Rise brand, as well, have twice as many CFPB complaints as EasyPay.

An analysis of consumer complaints about loans by American First Finance, Rise and OppFi raises serious concerns about extensive consumer harm and potential violations of federal and state consumer protection statutes.

In addition, while not detailed in these comments, other FinWise Bank partners,<sup>2</sup> including those that offer income share agreements,<sup>3</sup> “tip”-based cash advances, \$200 to \$1,000 lines of credit,<sup>4</sup> loans for retail purchases,<sup>5</sup> and small business loans, may also be problematic. Given the information presented, the undersigned request that FDIC downgrade FinWise Bank on its CRA Exam.

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<sup>2</sup> See <https://www.finwise.bank/strategic-platforms/fintech-loans/>.

<sup>3</sup> For example, FinWise Bank’s partners Stride Funding and Edly offer income share agreements, which can be problematic. See Student Borrow Prot. Ctr., *Inequitable Student Aid: A Case Study of Disparate Lending Practices and Educational Redlining Tactics in the Market for Income Share Agreements* at 4 (Mar. 2021), [https://protectborrowers.org/wp-content/uploads/2021/03/SBPC\\_Inequitable-Student-Aid.pdf](https://protectborrowers.org/wp-content/uploads/2021/03/SBPC_Inequitable-Student-Aid.pdf). (“An investigation by the Student Borrower Protection Center (SBPC) has uncovered evidence that Stride Funding’s lending model may violate federal fair lending law by penalizing borrowers of color for attending minority-serving institutions (MSIs) such as Historically Black Colleges and Universities (HBCUs).”).

<sup>4</sup> For example, FinWise Bank’s partner Empower advertises on its website: “Get a \$250 advance\* today, grow to a \$1,000 line of credit\* over time.” <https://empower.me/>. The Empower Thrive line of credit is offered by FinWise Bank. Empower’s website states in large font “Enjoy 0% APR%\*” on Empower Thrive, but the fine print notes “when you pay your balance on your next paycheck date, otherwise 35.99%,” and may incur late fees. In addition, Empower charges a monthly “subscription” fee of \$8 and a 5% fee for instant delivery. As described in our comments to the Consumer Financial Protection Bureau on junk fees, instant delivery fees are typically paid by 90% of consumers, are inflated far beyond the cost to the provider, are a disguised form of interest, especially when they vary based on the amount of the advance. See Consumer Comments to the CFPB Regarding Junk Fees Imposed by Providers of Consumer Financial Products or Services at 53-59 (May 2, 2022), <https://www.nclc.org/wp-content/uploads/2022/09/NCLC-comments-on-CFPB-Junk-Fees-RFI-87-FR-5801-pubd-2-2-22-filed-5-2-22.pdf>.

It is not clear if the bank is directly involved with the cash advance, but the advance and line of credit are clearly intertwined. Empower claims “Empower Cash Advance is not a payday loan or personal loan. Empower Cash Advance charges no interest or late fees.” *Id.* However, it effectively is a payday loan, and Empower collects “tips,” subscription fees, and, it appears, instant access fees if the consumer does not receive the cash advance through the Empower Card. See <https://empower.me/terms/>.

<sup>5</sup> For example, the CFPB’s complaints database contains a number of complaints about FinWise’s partner Great American Finance Co., alleging identity theft involving credit cards or other loans. See [https://www.consumerfinance.gov/data-research/consumer-complaints/search/?company=Great%20American%20Finance%20Co&date\\_received\\_max=2023-02-27&date\\_received\\_min=2011-12-01&has\\_narrative=true&page=1&searchField=all&size=25&sort=created\\_date\\_desc&tab=List](https://www.consumerfinance.gov/data-research/consumer-complaints/search/?company=Great%20American%20Finance%20Co&date_received_max=2023-02-27&date_received_min=2011-12-01&has_narrative=true&page=1&searchField=all&size=25&sort=created_date_desc&tab=List).

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## **I. FinWise Bank’s Lending Through American First Finance, Elevate Credit, and OppFi Raises Severe Consumer Protection Issues and Fails to Meet the Convenience and Needs of the Communities It Serves**

The Community Reinvestment Act (CRA) requires that banks meet the convenience and needs of the communities they serve. In assessing whether FinWise Bank is appropriately serving its communities, the FDIC should focus not on whether FinWise does in some narrow sense provide access to credit but also the quality of credit extended. Predatory credit at high interest rates that borrowers cannot afford to repay, credit designed to evade state interest rate laws, credit that is extended using deceptive practices, and credit that leads to violations of debt collection, credit reporting, and other laws does not meet the convenience and needs of communities.

FinWise Bank must be assessed based on the full scope of the credit it extends, including credit that it extends through partnerships with third parties. Under FDIC Guidance, banks are responsible for the risks arising from third-party relationships “to the same extent as if the activity were handled by the institution.”<sup>6</sup> Thus, FinWise Bank’s CRA examination should consider the harm and potential legal violations inflicted through the third-party lending for which it is responsible.

Most states have interest rate limits that would prevent this predatory lending. But predatory lenders try to evade state laws by laundering their loans through banks, which are exempt from state rate caps. FinWise Bank, chartered in Utah and supervised by the FDIC, is one of only a few rogue banks that are willing to front for predatory lenders.

FinWise helps at least three nonbank lenders make triple-digit APR loans in states where those loans are illegal:

- American First Finance, which offers installment loans at rates up to 155% APR for purchases at retailers selling furniture, appliances, pets, auto repairs and other goods and services.
- Elevate Credit, which offers Rise-branded installment loans online at rates up to 149% APR.
- OppFi, which offers online installment loans at 160% APR.

OppFi and Elevate also use other banks in some states. These “rent-a-bank” schemes are of questionable legality, to say the least. FinWise Bank’s partners have faced enforcement actions and have been forced to enter into substantial settlements for making illegal loans. As discussed below, **FinWise Bank’s involvement in this evasion is in itself grounds for downgrading its CRA rating.**

In addition to the usury law evasions, the loans that FinWise originates have numerous other consumer protection issues. Indeed, the level of complaints they have generated equals or exceeds those generated by the non-bank partners of TAB Bank, an FDIC-supervised bank whose CRA rating was recently—and appropriately—downgraded based on a violation of

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<sup>6</sup> Federal Deposit Insurance Corporation, Guidance for Managing Third-Party Risk. FIL-44-2008 (June 6, 2008), <https://www.fdic.gov/news/financial-institution-letters/2008/fil08044a.html>.

Section 5 of the Federal Trade Commission Act, Unfair or Deceptive Acts or Practices affecting “a large number of consumers over an extended period of time.”<sup>7</sup>

For example, FinWise partner American First Finance has a retail-based business model that is similar to that of TAB Bank partner EasyPay Finance.<sup>8</sup> American First Finance has generated *far more* complaints about unfair, deceptive and abusive practices, and high and usurious interest rates than EasyPay Finance.<sup>9</sup>

But AFF’s complaint numbers are put to shame by those against another FinWise Bank partner, Elevate Credit, which makes installment loans under its Rise brand. The CFPB has received 735 complaints against Rise, *twice as many* as against EasyPay Finance.<sup>10</sup> FinWise partner OppFi has also generated a large number of complaints.<sup>11</sup>

These high complaint volumes are not surprising, because AFF, Elevate and OppFi all have high interest rate models that prey on struggling consumers with unaffordable loans. Public filings show that Elevate and OppFi both have very high default rates, with average loss rate well over 50%, far higher than any other product in the banking system.<sup>12</sup> Elevate’s most recent net charge-off rate was 52%<sup>13</sup> and OppFi’s was a whopping 58%.<sup>14</sup> AFF’s charge-off rates are unavailable, but are likely similarly high.

In addition, both Elevate and OppFi have faced state government enforcement actions as well as private litigation. In 2021, to settle charges of deceptive and unlawful lending, OppFi agreed to pay \$2 million to the District of Columbia and to stop usurious lending in the District.<sup>15</sup> OppFi is currently facing an enforcement action by the California Department of Financial Protection and

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<sup>7</sup> See FDIC, Public Disclosure, Community Reinvestment Act Performance Evaluation, Transportation Alliance Bank, Inc., d/b/a TAB Bank at 11 (Apr. 13, 2022), [https://crapes.fdic.gov/publish/2022/34781\\_220413.PDF](https://crapes.fdic.gov/publish/2022/34781_220413.PDF).

<sup>8</sup> See Stop the Debt Trap, Predatory Auto Repair Loans by TAB Bank and EasyPay Finance (May 2022), [https://www.nclc.org/wp-content/uploads/2022/09/Rpt-TAB\\_Auto\\_Repair-5.11.22.pdf](https://www.nclc.org/wp-content/uploads/2022/09/Rpt-TAB_Auto_Repair-5.11.22.pdf); Stop the Debt Trap, Predatory Puppy Loans by TAB Bank and EasyPay Finance (Feb. 2022), [https://www.nclc.org/wp-content/uploads/2022/09/IB\\_Easypay\\_Puppy\\_Loans\\_Feb22.pdf](https://www.nclc.org/wp-content/uploads/2022/09/IB_Easypay_Puppy_Loans_Feb22.pdf).

<sup>9</sup> See Section II, *infra*.

<sup>10</sup> See Section III, *infra*.

<sup>11</sup> See Section IV, *infra*.

<sup>12</sup> See Alex Horowitz & Chase Hatchett, Pew Charitable Trusts, Rent-a-Bank Payday Lenders’ New Filings Show 55% Average Loss Rates (Jan 9, 2023), <https://www.pewtrusts.org/en/research-and-analysis/articles/2023/01/09/rent-a-bank-payday-lenders-new-filings-show-55-average-loss-rates>.

<sup>13</sup> Elevate Credit Inc., SEC Form 10-Q (Nov. 9, 2022); Elevate Credit Inc., SEC Form 10-K (Feb. 25, 2022).

<sup>14</sup> Opportunity Financial LLC, SEC Form 10-Q (Nov. 9, 2022).

<sup>15</sup> See Office of the Attorney General of the District of Columbia, Press Release, AG Racine Announces Over \$2 Million Settlement with Predatory Online Lender Will Compensate Thousands of District Consumers (Nov. 30, 2021), <https://oag.dc.gov/release/ag-racine-announces-over-2-million-settlement>.

Innovation, and a court has found that DFPI sufficiently alleged that OppFi, not the bank, is the true lender.<sup>16</sup> Several private lawsuits have also recently been filed against OppFi.<sup>17</sup>

Elevate agreed to a \$4 million settlement to resolve charges of deceptive and usurious rent-a-bank lending in the District of Columbia.<sup>18</sup> Elevate is also facing a private lawsuit in Washington State, and the court has found adequate allegations that FinWise is not the true lender:

[T]he Court finds that plaintiff has adequately pled that FinWise has essentially rented its charter to Elevate for the purpose of charging usurious interest rates to Washington consumers through its RISE products, that plaintiff has adequately alleged that the actual transactions at issue (as opposed to the one described on paper) involve Elevate (or an entity it controls) funding the challenged loans while paying a minimal fee to FinWise for the use of its name, and that, if plaintiff can prove the alleged facts, federal preemption would not apply because there would be no state-chartered bank involved and no issue of federal insurance. Plaintiff's per se Consumer Protection Act claim may, therefore, proceed.<sup>19</sup>

A review of the CFPB complaints database and Better Business Bureau websites show that American First Finance, OppFi and Elevate have generated hundreds if not thousands of consumer complaints. Complaints cover issues including:

- Deception and lack of transparency around high interest rates
- Unaffordable loans that borrowers are unable to repay
- Receiving loans that they never applied for and identity theft
- Improper debt collection tactics, including collecting debt not owed, failure to validate debts, harassment and abuse
- Credit reporting problems, including incorrect information and failure to respond to disputes and errors

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<sup>16</sup> See Office of the Attorney General of the District of Columbia, Press Release, AG Racine Announces Nearly \$4 Million Settlement with Predatory Online Lender That Will Compensate Thousands of District Consumers (Feb. 8, 2021), <https://oag.dc.gov/release/ag-racine-announces-nearly-4-million-settlement#:~:text=Racine%20today%20announced%20that%20Elevate,pay%20%24450%2C000%20to%20the%20District>.

<sup>17</sup> See, e.g., Michael v. Opportunity Financial, No. 1:22cv529 (W.D. Tex filed June 1, 2022); Johnson v. Opportunity Financial, No. 3:22-cv-190 (E.D. Va. Filed April 6, 2022); Carpenter v. Opportunity Financial, No. 2:21-cv-09875 (C.D. Cal. Filed Dec. 22, 2021); Sanh v. Opportunity Financial, No. 20-00002-02268-3 SEA (King Co., Wash. Sup. Ct filed Jan. 27, 2020), removed as No. C20-0310RSL (W.D. Wash. Feb. 26, 2020).

<sup>18</sup> Office of the Attorney General of the District of Columbia, Press Release, AG Racine Announces Nearly \$4 Million Settlement with Predatory Online Lender That Will Compensate Thousands of District Consumers (Feb. 8, 2022), <https://oag.dc.gov/release/ag-racine-announces-nearly-4-million-settlement#:~:text=main%20content-.AG%20Racine%20Announces%20Nearly%20%244%20Million%20Settlement%20with%20Predatory%20Online,Compensate%20Thousands%20of%20District%20Consumers&text=WASHINGTON%2C%20D.C.%20%E2%80%93%20Attorney%20General%20Karl,announced%20that%20Elevate%20Credit%2C%20Inc>.

<sup>19</sup> Sanh v. Rise Credit Svcs., 2022 WL 16854329 (W.D. Wash. Nov. 10, 2022).

While only some of the loans made by these three companies were facilitated by FinWise Bank (others were made directly or through other banks), the complaints illustrate the serious problems with the partners that FinWise is enabling. These complaints raise serious concerns about extensive consumer harm and potential consumer protection law violations, and are detailed in Sections II, III, and IV detail the number and nature of the complaints.

In general, the complaints involve:

***Unfair, deceptive, abusive or unconscionable practices.*** The complaints detailed in Sections II, III, and IV show deception and lack of transparency around high interest rates, and unfair, abusive and unconscionable lending practices due to unaffordable loans that consumers struggle to repay. State UDAP laws and laws against unconscionability apply to state-chartered banks, especially banks like FinWise Bank that do not have branches outside their home state.<sup>20</sup>

***Debt collection practices.*** Many of the CFPB complaints against American First Finance, OppFi and Elevate are about debt collection. The Federal Debt Collection Practices Act (FDCPA) was enacted to protect consumers from unfair, abusive and deceptive practices by debt collectors. The FDCPA requires, among other things, that debt collectors refrain from harassing consumers, making inappropriate threats, or misrepresenting the alleged debts owed. Although the FDCPA does not apply to first-party creditors like banks or their servicers, such conduct also generally constitutes a violation of federal and state UDAP laws that do apply.<sup>21</sup> Moreover, some state debt collection laws cover creditors and servicers,<sup>22</sup> and debt collection laws are not generally preempted by federal banking regulations.<sup>23</sup> Creditors can also be liable under state agency law for the actions of their collectors and servicers.<sup>24</sup>

***Credit reporting.*** A large number of the CFPB complaints against American First Finance,

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<sup>20</sup> State UDAP laws and laws against unconscionability apply to state-chartered banks, especially banks like FinWise Bank that do not have branches outside their home state. While state-chartered banks are entitled to the same interest rate exportation rights as national banks, they do not have the same broad preemption rights with respect to other laws except when they are operating out of an out-of-state branch. The FDIC has explained that “the preemption provided by section [12 U.S.C. § 1831a(j)] only operates with respect to a branch in the host state of an out-of-state, state bank. By its terms section [12 U.S.C. § 1831a(j)(1)] ... would not apply if the out-of-state, state bank does not have a branch in the host state.” Federal Deposit Ins. Corp., Proposed Rules, Interstate Banking; Federal Interest Rate Authority, 70 Fed. Reg. 60,019, 60,025 (Oct. 14, 2005). Moreover, even as to national banks, state UDAP laws are not generally preempted. See Office of the Comptroller of the Currency, Exploring Special Purpose National Bank Charters for Fintech Companies at 5 (Dec. 2016), <https://www.occ.gov/publications-and-resources/publications/banker-education/files/exploring-special-purpose-nat-bank-charters-fintech-companies.html>. (“the OCC has taken the position that state laws aimed at unfair or deceptive treatment of customers apply to national banks.”).

<sup>21</sup> See CFPB Bulletin 2013-07, Subject: Prohibition of Unfair, Deceptive, or Abusive Acts or Practices in the Collection of Consumer Debts (July 10, 2013), [https://files.consumerfinance.gov/f/201307\\_cfpb\\_bulletin\\_unfair-deceptive-abusive-practices.pdf](https://files.consumerfinance.gov/f/201307_cfpb_bulletin_unfair-deceptive-abusive-practices.pdf); NCLC, Unfair and Deceptive Acts and Practices § 6.10.

<sup>22</sup> See NCLC, Fair Debt Collection § 16.2.3.3.1 (10th ed. 2022), updated at library.nclc.org.

<sup>23</sup> See *id.* § 16.1.2.

<sup>24</sup> See generally *id.* § 11.4.4.5.

OppFi and Elevate are about credit reporting. When creditors report information to credit bureaus (directly or through servicers), the Fair Credit Reporting Act (FCRA) imposes requirements on furnishers to provide accurate information, to respond to consumer disputes, to conduct reasonable investigations, and to promptly correct inaccurate information.<sup>25</sup>

***Know Your Customer and Electronic Signature Laws.*** A significant number of the CFPB complaints about American First Finance, Elevate or OppFi are about loans that the consumers say they did not take out or that belong to someone else.

For loans obtained in retail settings, these problems may stem from fraud committed by the merchant employees who completed loan applications on electronic tablets and either improperly signed for the consumer or induced the consumer into electronically signing without realizing that they were taking out a loan. Online loans may have been originated with false identities.

Under the Bank Secrecy Act and related amendments and regulations, banks have an obligation to “know your customer” (KYC). KYC obligations apply to all accounts, including credit accounts.<sup>26</sup> Failure to adequately confirm the identity of the borrowers of loans originated in the name of the bank would be a KYC violation.

In addition, if the consumer did not complete a valid electronic signature for the loan agreement, there is no valid contract. In that case, debits against the consumer’s bank account arguably amount to conversion. Efforts to collect or report debts not owed by the consumer, or failure to adequately respond to disputes about the debts, could also be debt collection or credit reporting violations, as discussed above.

***Electronic Fund Transfer Act and NACHA rules.*** Some of the complaints indicate potential violations of the Electronic Fund Transfer Act (EFTA). This Act sets out authorization requirements for preauthorized electronic fund transfers (PEFTs). Among other requirements, consumers cannot be required to repay credit by PEFTs,<sup>27</sup> and PEFTs must be authorized by a writing signed or similarly authenticated by the consumer.<sup>28</sup> Authorization is valid if it is “readily identifiable as such and the terms of the preauthorized transfer are clear and readily understandable.”<sup>29</sup> The consumer must be given a copy of the authorization.

NACHA rules, which govern ACH payments, contain similar requirements, and also give the consumer the right to revoke authorization, and require that notice of the right to revoke and the

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<sup>25</sup> See generally NCLC Fair Credit Reporting, Ch. 6 (9th ed. 2019), updated at library.nclc.org.

<sup>26</sup> Section 3261 of the USA PATRIOT Act and regulations thereunder require banks to have a Customer Identification Program (“CIP”) to verify the identity of each customer who opens an account. 31 C.F.R. § 1020.220(a)(2). “Account” includes “a credit account, or other extension of credit.” 31 C.F.R. § 1020.100(a)(1).

<sup>27</sup> 15 U.S.C. § 1693k (1).

<sup>28</sup> Reg. E, 12 C.F.R. § 1005.10(b).

<sup>29</sup> Official Interpretation of 10(b)-6 to Reg. E.

manner in which to do so must be part of the authorization.<sup>30</sup> A PEFT that is not properly authorized, or for which authorization has been revoked, is unauthorized.<sup>31</sup>

***Military Lending Act.*** Some of the complaints against AFF, Elevate’s Rise and OppFi are from active duty servicemembers complaining about high rates that could to violate the Military Lending Act (MLA). This law limits the interest rate on loans to active duty servicemembers and their dependents to 36% APR, including fees. The MLA applies to banks. It exempts purchase money loans, but only if they are secured by the personal property purchased.<sup>32</sup> Some of the AFF loans could fall within that exception, but Elevate and OppFi do not appear to make secured loans.

FinWise Bank is responsible for the conduct of its partners. The extensive complaints below indicate a high likelihood that the bank is not meeting community needs.

## II. Complaints Against American First Finance

As noted above, American First Finance has a similar business model to that of EasyPay Finance. There are many similarities between AFF and EasyPay practices, including:

- *High interest rates that exceed state rate caps.* While AFF does not disclose its interest rates on its website, we have reviewed contracts and complaints showing AFF loans generally at about 144% APR in states that do not allow those rates for nonbank lenders.
- *Offered through retail locations.* AFF’s retail categories include furniture, appliances, electronics, jewelry, auto repair, medical, pets and recreation. The bank is twice removed from store clerks who describe and offer the loans, making it especially difficult for them to exercise proper oversight over their agents.
- *Use of tablets and mobile phones for in-person transactions that can lead to deception.* Complaints indicate that sales personnel may quickly scroll through screens, “sign” for the consumer, and obscure critical terms.
- *No-interest option that may be deceptive and hard to exercise.* Similar to EasyPay Finance, if AFF consumers pay off a loan during a three-month early payoff period, they owe “no interest.” In addition to potential misrepresentation by store clerks, several features of AFF’s agreements are reminiscent of EasyPay’s and may make it difficult for consumers to understand that option and to exercise it.<sup>33</sup> In addition to paying off the full principal, the consumer also needs to pay off the origination fee and potentially other fees by the early payoff date. Interest continues to accrue daily, and payments may thus be applied heavily to interest rather than principal, potentially making it difficult to understand what balance remains to avoid paying interest. The scheduled minimum payments are not enough to pay off the loan during the early payoff period.

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<sup>30</sup> Reg. E, 12 C.F.R. §1005.10(b).

<sup>31</sup> See, e.g., *FTC v. Health Formulas, L.L.C.*, 2015 WL 2130504 (D. Nev. May 6, 2015) (finding FTC likely to prevail on claim that defendants violated EFTA by engaging in recurring EFTs without obtaining proper written authorization or providing a copy to consumer).

<sup>32</sup> 10 U.S.C. § 987(i)(6).

<sup>33</sup> See <https://americanfirstfinance.com/partners/bank-products/>.

Not surprisingly, like EasyPay, AFF has generated a lot of complaints – indeed, **far more complaints than EasyPay**. The Better Business Bureau website reflects 431 complaints against EasyPay<sup>34</sup> and 866 against AFF<sup>35</sup> over the last three years. There were so many complaints against AFF that BBB could not display them all: “Due to the volume of complaints filed against this business, BBB only publishes the details for 25% of the total complaints filed.”<sup>36</sup> A sampling of complaints filed with the Better Business Bureau is included in Exhibit D.

Similarly, the CFPB complaints database shows far more complaints against AFF than against EasyPay over about the same period of time.<sup>37</sup> Through March 2, 2023, the CFPB’s complaints database has 367 complaints against EasyPay and 601 against American First Finance.

Moreover, the AFF complaints have spiked in the last two years. Since January 1, 2022, the CFPB has received **double** the number of complaints against AFF compared to EasyPay Finance (208 vs. 106).

### Complaints Against American First Finance Filed with CFPB, by Year

- Credit reporting, credit repair services, or other personal consumer reports
- Payday loan, title loan, or personal loan
- Debt collection
- Consumer Loan
- Credit card or prepaid card

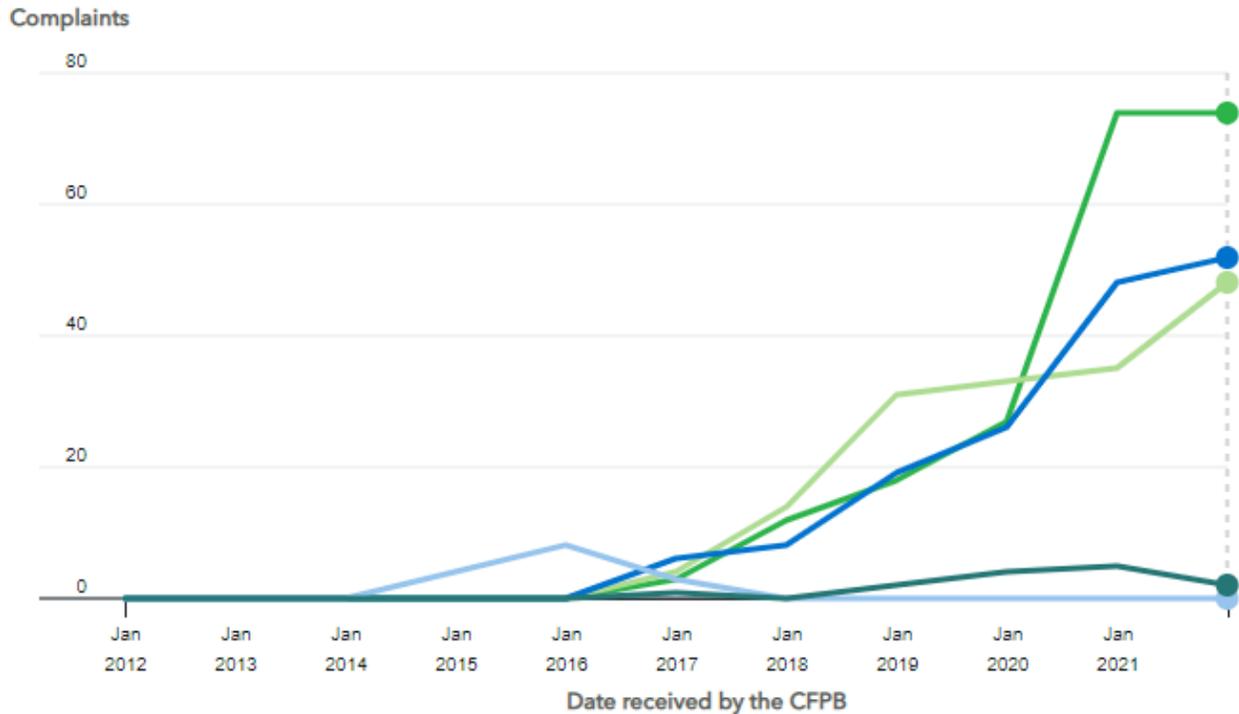
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<sup>34</sup> <https://www.bbb.org/us/ca/carlsbad/profile/consumer-finance-companies/easypay-finance-1126-20004961>.

<sup>35</sup> <https://www.bbb.org/us/tx/dallas/profile/financing/american-first-finance-inc-0875-90902136/complaints>.

<sup>36</sup> *Id.*

<sup>37</sup> The first complaint against EasyPay Finance was filed on April 9, 2014. The first complaint against American First Finance was May 30, 2015.



And like EasyPay, AFF has generated a lot of complaints about credit reporting issues, unaffordable loans with surprise interest rates and elusive interest rebates, and debt collection problems, among others. The following chart reflects the “product” that the consumer selected for their complaint.

### Complaints Against American First Finance Filed with CFPB, By Product



More specifically, consumers who complained to the CFPB coded the issue in their complaint as follows (but a given complaint may illustrate other problems not reflected in the coding):

- Incorrect information on your report (65)
- Attempts to collect debt not owed (35)
- Charged fees or interest you didn't expect (26)
- Problem with a credit reporting company's investigation into an existing problem (26)
- Struggling to pay your loan (24)
- Communication tactics (20)
- Managing the loan or lease (20)
- Improper use of your report (15)
- Problem with the payoff process at the end of the loan (14)
- Problems when you are unable to pay (14)
- Taking out the loan or lease (14)
- False statements or representation (13)
- Charged fees or interest I didn't expect (11)
- Getting the loan (7)
- Problem when making payments (7)
- Written notification about debt (6)
- Cont'd attempts collect debt not owed (5)
- Improper contact or sharing of info/threatened to contact someone or share information improperly (7)
- Incorrect information on credit report (5)
- Shopping for a loan or lease (5)
- Can't contact lender or servicer (5)
- Disclosure verification of debt (4)
- Loan payment wasn't credited to your account (4)
- Took or threatened to take negative or legal action (4)
- Applied for loan/did not receive money (3)
- Can't stop withdrawals from your bank account (2)
- Payment to acct not credited (2)
- Problem with additional add-on products or services (2)
- Received a loan I didn't apply for (3)
- Was approved for a loan, but didn't receive the money (2)
- Account opening, closing, or management (1)
- Can't stop charges to bank account (1)
- Charged bank acct wrong day or amt (1)
- Confusing or misleading advertising or marketing (1)
- Credit monitoring or identity theft protection services (1)
- Getting a line of credit (1)

A complete listing of AFF CFPB complaints that have complaint narratives is included in Exhibit A.<sup>38</sup> Here are a few examples of CFPB complaints against American First Finance:

*Deception around high interest rates and interest free payoff option*

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<sup>38</sup> Of the 601 complaints against AFF, 318 have consumer narratives.

- I purchase a puppy at XXXX and its was super cute and all but the finance company made a deal with me to pay XXXX \$ but American first finance!! is charging me more more everyday if I try to pay it off early and when I call them they give me a different story and reason every time its supper sketchy and annoying and it just gives me stress.i wish I was able to research the company before I went through with this, American first finance if you read this YOU GUYS ARE SCAMMERS AND LIERS dont trust them guys!!!!!! Source: [CFPB Complaint #3367680](#)
- I responded to an ad on XXXX to a local mattress company, XXXX XXXX in XXXX WA. This appointment made was unbeknownst to me a " group " appointment of other interested parties seeking mattresses. I was first in line to be " financed " ( I Have pretty good credit so I was not concerned ) It was told to me " if " I paid within 3 months there would be no finance charges ; It wasn't brought to my attention that ; as I would later find out, the company " American First Finance " in XXXX, Texas, charged me 95 % Finance Fees!?!? Had I not been rushed so salesman could pursue the others purchasing I may have noticed this on the paperwork I signed, and would have either opted to obtain far better loan financing through my credit union or anywhere but American First!  
[Source: CFPB Complaint #3627680](#)
- When making the {\$800.00} and opting for credit line I was not given credit terms nor interest rates, was told to expect to be contacted by loan agency, this was one day prior to making cross-country trip. Upon arrival to destination, XX/XX/XXXX, created automatic payment through my bank since I was not home to receive notice of payment or interest rates. When creating this automatic payment I noticed a payment had already occurred to American First Finance. I contacted them to inquire about this action and if this amount would pay the entire balance of {\$1400.00} by the due date, the customer service representative stated, yes. Several months later I checked bank payment history and noticed payments were still being withdrawn, well surpassing the {\$1400.00} amount, a total of {\$1700.00}. I contacted American First Finance to request a refund of the {\$260.00} overpayment and they cease withdrawals, they refused and stated that this was based on the interest rate compounded after exceeding the 90 day mark. First, I did not receive a notice of the interest rates nor when I returned home to California, did not receive mail containing credit terms or interest rates. It was during this telephone call that I was finally able to coordinate receipt of the credit terms and interest rate. This was emailed to me and depicted a rate at 140 %. If I would have known of this rate I would have opted not to take this credit line. [Source: CFPB Complaint #3608124](#)
- ... They made it very easy, sent me a link to apply for financing. I filled out the app, which only took a few minutes.... Today, I contacted American Finance to inquire what the deferred interest rate would be, as well as the charge - I talked to a person via chat. They emailed me the contract, which stated interest rate of 169.53 %. I asked the rep more directly what the actual finance charge would be if I don't pay off the balance by XX/XX/XXXX, which is the early pay off period end date. The actual charge is not specially called out, or at least clear, in the contract. The rep told me the accrued charges after XX/XX/XXXX would be {\$3000.00}. I used {\$3200.00} for financing. Obviously,

in shock, I shared my experience on XXXX XXXX XXXX and American First Finance's sites ... I started to read the reviews on American First. Shockingly, there were other reviews and experiences similar to mine. So tell me this, how does a company (ies) clearly provide its terms, fees, and interest rates in a way that would cause this much harm and confusion?? The information is hidden. XXXX XXXX is also responsible. The envelope and the double-stapled pages inside show none of the terms. I was also advised after the transaction that I had 90 days to pay it off. No where was this clear in the application process. I don't even know what all to do to help protect other people from these two companies' practices. I do hope that my reviews and filing this complaint will help these practices to stop and for those harmed to receive some form of compensation. Thanks, XXXX. [Source: CFPB Complaint #5714142](#)

- I purchased a puppy from XXXX XXXX XXXX and they helped me apply for a loan with this company called American First Finance/ XXXX XXXX XXXX XXXX for {\$2400.00}. The retailer where I purchased the puppy from did not advise me out the buy out date and the loan company also did not advise me of the buy out date nor the interest rates via print or electronic disclosure. There was no information given to me in print or through electronic disclosure when I signed up for the loan. I attempted to resolve this issue with the loan company and see if they could work something out with me regarding the buy out option because I never received the information from either company they just began drafting the money from my account without disclosing this information. I tried to speak to a manager at the loan company but when I call the call center all they say is that a manager will reach out to me within 2 business days and I have yet to receive a call. I keep getting the run around from American First Finance. [Source: CFPB Complaint #3311485](#)

### *Unaffordability*

- I contacted the company on XXXX and explained that I could not continue with payments. The representative I spoke with gave me two options. She stated that I could pay off a settlement which is thousands of dollars I do not have (because I am going through financial difficulties) or they could cancel my automatic payments which if not paid by the due date would show as delinquent and report to the credit bureaus. I asked the representative for a supervisor and he repeated the same thing. The company is preying on those in bad financial situations. They either want to come up with thousands of dollars to pay off a settlement in 30 days or have your credit harmed due to not being able to pay. [Source: CFPB Complaint #6299139](#)

### *Improper collection tactics*

- On my credit file it says I owe one amount but when you call to pay it off they are asking for double amount. [Source: CFPB Complaint #6360260](#)
- I have been repeatedly emailed by American First Finance. I have reached out to them repeatedly to give information about the debt they are trying to collect and they have ignored all requests for information. When I call they hang up on me, or do not answer at all, they seem to filter my call. I have written them asking them to provide any and all

information about the debt and to cease contacting me. It has made no difference they continue to email, call and harass me. They refuse to give information about the debt or to work in any way to find a solution or answer to what is actually going on. Source: [CFPB Complaint #5762512](#)

- American First Finance has attempted to contact me numerous times everyday for the past month, to the point where it has upgraded to complete harassment on their part. They have refunded money to my accounts, only to debit it back out in order to keep their collection tactics active and continue to harass. The amount being collected on has been contested by myself and my financial institution and several stop pays have been initiated, costing me even more money from my bank, XXXX. It has been a true terror dealing with this company and I really hope this report is a warning to other on doing business with American First Finance. [Source: CFPB Complaint #4504935](#)
- I am currently 2 weeks behind on a payment. I contacted the company and acknowledged the issue. On XX/XX/20, between XXXX and XXXX. I received 12 text messages in 1 hour from the company telling me to pay it. I contacted the company and asked them to stop, they said no and it turned into an argument. This contact was made after XXXX and then received 2 text messages again with in the first half hour. So now as I am writing this message, we are at 15 communications in 1.5 hours. Source: [CFPB Complaint #3631284](#)

*Identity theft or loans that the consumer did not apply for*

- An account was opened in my name to which I had reported to the company itself and the ftc. The company in question is refusing to remove my name from the account because they feel I wasn't a victim of identity theft even after I explained the details of how any why it happened, they in turn notify me that that im still being held responsible. I lost my pocketbook that contained my wallet, keys, phone etc. My information was used to create accounts, my debit card was used for purchases as well. No police report was made because they didn't feel a lost bag was anything to report. It wasn't lost in result of a crime ( being stolen ) from what I was told and they can't help with identity theft. [Source: CFPB Complaint #3928991](#)
- AMER FST FIN HAS CONTINUED TO REPORT A FRAUDULENT ACCOUNT ON MY CREDIT FILE. THIS ACCOUNT IS NOT MINE AND IS A RESULT OF IDENTITY THEFT. I HAVE SENT NUMEROUS DISPUTES, PROVIDED A IDENTITY THEFT AFFADAVIT, AND SUBMITTED NECESSARY DOCUMENTATION TO XXXX XXXX. I ALSO HAVE REQUESTED ANY INFORMATION PERTAINING TO THIS ACCOUNT BE SENT TO ME DIRECTLY AS PERMITTED IN IDENTITY THEFT CASES. IVE SUBMITTED A DIRECT DISPUTE TO AMERICA FIRST FINANCE TWICE WITH PROOF OF DELIVERY AND THEY HAVE FAILED TO RESPOND TO MY DISPUTE BUT CONTINUE TO REPORT THIS FRAUDULENT ACCOUNT TO MY CREDIT FILE WHICH IS A VIOLATION OF MY RIGHTS UNDER THE FCRA. XXXX XXXX HAS ALSO CONTINUED TO REPORT THIS FRAUDULENT ACCOUNT EVEN AFTER ALL IDENTITY THEFT INFORMATION AND A REQUEST TO BLOCK THIS ACCOUNT HAS BEEN MADE. XXXX XXXX AND AMERICA FIRST FINANCE

HAVE BOTH REPEATEDLY IGNORED MY DISPUTE AND REQUEST TO REMOVE THIS FRAUDULENT ACCOUNT. THIS IS AN ACT OF WILFUL NON-COMPLIANCE AND IS A DIRECT VIOLATION OF MY RIGHTS. THIS ACCOUNT NEEDS TO BE REMOVED IMMEDIATELY. [Source: CFPB Complaint #5287737](#)

### *Credit reporting problems*

- Per FCRA 623 ( a ) American First Fiancial is in violation of the FCRA. The company is under obligation to only report accurate and updated information. Sending a consumer a copy of contract does not excuse the company for said violation. My account with them has been satisfied in full via Chapter XXXX Bankruptcy. The company has received copy of discharge paperwork and has blatantly refused to update the account to credit bureaus accordingly.... Source: [CPFB Complaint #4324078](#)
- american first finance keeps reporting balance of me having to owe them XXXX dollars as of XX/XX/2022. XX/XX/2022 they responded to a previous cfpb complaint that the account was paid in full with a monetary relief. now i am asking them to not only stop reporting this account but also refund me all of the money they took from me and to give me the monetary relief they promised that i never received. Source: [CFPB Complaint # 6238129](#)
- I have filed 2 complaints with the CFPB in regards to this company. Each time the company refused to respond but decided to send me a one page alleges agreement I had with the company. American First Finance has reported an alleged account in a negative manner to multiple credit reporting agencies. The company has violated my rights to privacy. I did not receive the necessary disclosures or ability to dispute this claim before it was added to my consumer report. This one grace error is causing financial difficulties in my family life and household. I am being denied the ability to a place of abode because of this item reporting as charged off on my report. I am demanding this company to correct this issue by zeroing out this account and deleting this account. Source: [CFPB Complaint #6143115](#)

### *Ignoring Military Lending Act Protections*

- I am an ... military member ... currently stationed at ... in South Carolina. I was in need of furniture for my apartment ... I worked with a female sales associate at the store. During our time together, she asked about my profession and I verbally told her that I was in the XXXX XXXX....

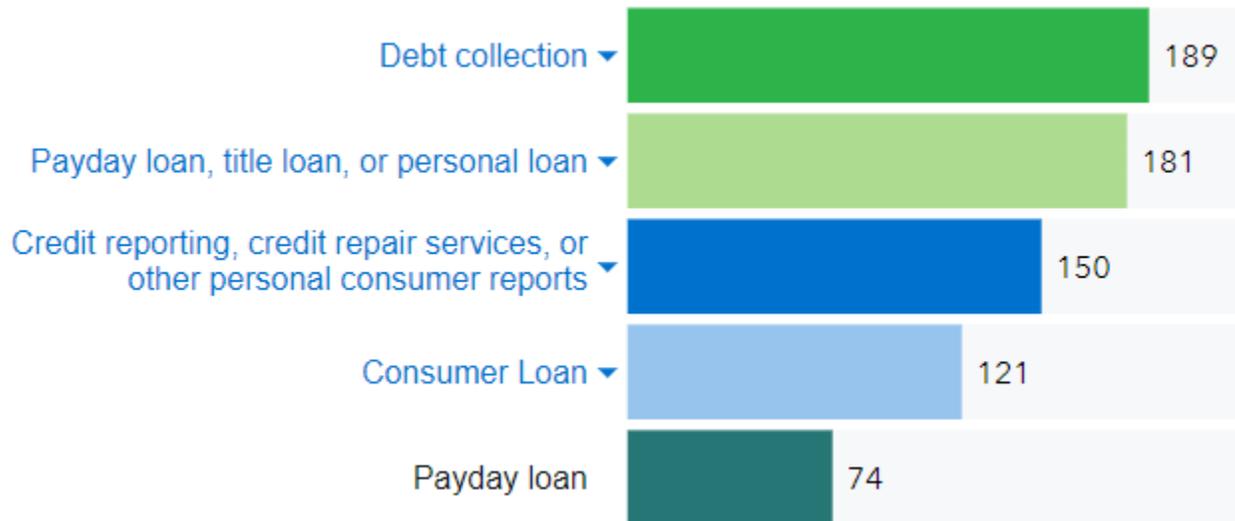
After purchasing the furniture, my supervisor reviewed the contract with me. It was then that I realized the severity of the 145.09 % interest rate....

My supervisor referred me to work with a Financial Counselor at the XXXX and XXXX XXXX XXXX on base. She informed me of the violation of the Military Lending Act by American First Finance Inc. The approved APR should not have been above 36 % because I am an XXXX XXXX military member. Source: [CFPB complaint # 3504019](#).

### III. Complaints against Elevate's Rise

The CFPB's complaints database contains 735 complaints regarding Rise Credit, a brand used by FinWise's partner Elevate Credit, through March 2, 2023. The complaints were categorized by the consumers as follows:

#### CFPB Complaints Against Elevate's Rise Credit Through March 1, 2023



More specifically, the issues were coded as follows (though a given complaint may cover more than one issue)

- Incorrect information on your report (121)
- Attempts to collect debt not owed (68)
- Charged fees or interest you didn't expect (87)
- Communication tactics (45)
- Managing the loan or lease (44)
- Struggling to pay your loan or problems when you are unable to pay (75)
- Problem with a credit reporting company's investigation into an existing problem (37)
- Taking out the loan or lease (30)
- Improper use of your report (30)
- Cont'd attempts collect debt not owed (22)
- False statements or representation (15)
- Received a loan I didn't apply for (18)
- Problem with the payoff process at the end of the loan (14)
- Written notification about debt (13)
- Problem when making payments (12)
- Getting the loan (9)
- Improper contact or sharing of info (9)
- Shopping for a loan or lease (9)
- Can't stop charges to bank account (9)
- Disclosure verification of debt (8)

- Can't contact lender or servicer (8)
- Took or threatened to take negative or legal action (7)
- Applied for loan/did not receive money (7)
- Account opening, closing, or management (6)
- Payment to acct not credited (6)
- Loan payment wasn't credited to your account (5)
- Account terms and changes (3)
- Charged bank acct wrong day or amt (4)
- Problem with additional add-on products or services (3)
- Advertising and marketing (3)
- Managing the line of credit (2)
- Threatened to contact someone or share information improperly (2)
- APR or interest rate (1)
- Credit monitoring or identity theft protection services (1)
- Getting a line of credit (1)
- Shopping for a line of credit (1)

Below are a few examples of complaints against Elevate. A complete listing of CFPB complaints against Rise that include narratives is included in Exhibit B, and a sampling of Rise complaints filed with the Better Business Bureau is included in Exhibit D.

*Lack of transparency around high interest rates*

- ... I applied for a loan through Rise Credit for {\$2000.00}... Once submitted, Rise came back and said would let me know if I was approved for the loan. I then forgot all about it and several days later when reviewing my checking account I found that they had already placed {\$2000.00} into my account. I was not sent nor given the details of the loan ie ... the interest rate of 238.36 % for the loan until after the money was placed into my account. I would have rejected/not accepted the loan if I had realized it was a 238.36 % interest rate. They set up ACH installment payments of {\$410.00} a month which I can not afford. .. I am on Social Security XXXX ( Fixed income ) with limited resources. I would NEVER have agreed to a 238.36 % interest rate nor payments of {\$410.00} a month. I can't afford this. I can't believe that this is legal-this is more like loan sharking and preying on people who are not able to defend themselves....I need your help. [Source: CFPB Complaint # 3141291](#)

*Unaffordability*

- ....To date I have paid well over {\$6900.00}, almost three times the principle. I still owe close to {\$3000.00}. Prior to accepting the loan I did read the " fine print " but it was not easy to understand. It was not explicit stated that the monthly payments would be going to the interest and not to paying down the principle, making the loan impossible to pay off quickly. I called and spoke to a customer service agent on XXXX XXXX, XXXX ( the call was recorded ) and asked specifically for an amnesty on the remaining balance because I am having a hard time paying on this exorbitantly high interest loan for over 12

months. I also explained to her that to date I had paid almost three times the principle, she said " no. " The fine print on this loan document was written in legalize that the average lay person could not possibly understand. There are many more months left on this loan ; in the end, the total paid before it is satisfied will be over {\$9500.00}! Paying {\$7500.00} in interest for a {\$2500.00} loan is outrageous and should be illegal. Again, the " fine print " was not easy to understand and I did not understand EXACTLY how much this installment would cost me. I have paid off the principle three-times over and the rest should be forgiven. [Source: CFPB Complaint #1962588](#)

#### *Harassment and aggressive collection tactics*

- I have a high interest installment loan through Rise. I pay {\$220.00} every 2 weeks with {\$16.00} of that going to the principal. I had a medical procedure done that kept me out of work for just a little more than a month. I did not receive a paycheck during that time. This has put me a few payments behind on my loan as they come due every 2 weeks. I am trying to get this all worked out so I can catch up with them over time as I just started back to work today. My issue is when I came back today I was told by my coworkers that this number called ( XXXX ) so many times a day that they turned off the phone in our office. I had spoke to them before and told them this was my work number and they are not to call me here. I started looking through the missed call option on our XXXX phone at work and counted at least XXXX calls from them over this weekend alone. This is unacceptable and causing big problems at work. I understand I owe them and I am behind on some payments. I am willing to work something out with them but calling my work to harass me and doing multiple attempt debits to my bank account that has no money in it racking up a ton of fees. This is not helping their cause as I have to pay my bank now instead of putting that money towards catching up on my loan. They tried withdrawing twice within a few minutes during XXXX attempt which racked up an instant {\$70.00} more to my bank account fees like the money was going to instantly appear in there after the first attempt a few minutes earlier. I am trying to get a debt consolidation loan to just pay them off. I am contacting them today to see what we can do to catch up in a reasonable time and matter as I have just started back to work. This is my issue with them. [Source: CFPB Complaint #2303749](#)
- They keep calling me all day long every hour or XXXX for the last XXXX or XXXX weeks. They have called my job and I have told them not allowed to have personal calls. Have also emailed XXXX and tried to make arrangements still continue to call me. And they have called a couple of my friends more than once that may have been listed as references on application. I feel like I am being harrassed and no wmy friends are being harressed too. [Source: CFPB Complaint #1313833](#)

#### *Identity theft or loans that the customer did not apply for*

- Someone got a {\$5000.00} loan under my name with company/bank called RISE ( which is somehow related to XXXX ). This is hurting my credit really bad. My score is down close to 200 points ( so far ), other banks are closing my credit cards or lines of credit, I am not able to get a loan ( not even the COVID 19 disaster recovery loan ). I've called

this bank more than 10 times and sent emails. Their response is always that the person in charge is not available or the fraud department is close ( no matter at what time I call ). I am only able to talk to customer support reps who are not capable of doing anything about it. I've tried disputing the case with the credit bureaus/agencies and the only thing they do is call the bank ( RISE ) to confirm the loan and nothing else. Please HELP!

[Source: CFPB Complaint #3756118](#)

- XXXX XXXX XXXX have been reporting and attempting to collect a debt that is not mine. They claim it is from some company called RISE, when I look them up it is some type of loan place. I have never one time done business with that company nor did I ever sign anything. I do have a common name & have had my identity stolen. My credit is very good and I pride myself in having good credit. This account that is NOT mine I have been fighting this collection company for so long trying to get them to prove to me that it is mine. They have yet to prove it and it was affecting my business & financing that I was forced to pay the debt recently. I demand they prove it is mine still! I have an attorney and will pursue legal action due to their practices. [Source: CFPB Complaint #2758635](#)

### *Credit reporting problems*

- This company refuses to update my credit report in a timely manner. The account with them was paid off in full, early. Yet they still report a revolving balance and open account. I have submitted disputes and they verify that their information is accurate. I have no open account with Rise, nor do I owe them any money. [Source: CFPB Complaint #3446607](#)
- A loan from Rise appeared on my credit that I did not take out. I never filled out an application with them. I never received funds from them. I reported it when I noticed it. My credit report shows it was opened on XX/XX/2018 and was charged off a few months later. It is now with the collection agency XXXX as of XX/XX/2018. I have disputed this charge on my credit report several times. I have called Rise and reported it has fraud. They told me to send in info proving it was fraud. I filed a report with the FTC and sent a copy to Rise as they asked. They have denied all my claims of fraud because they said that a check was mailed to my home address. They claim that the check was cashed. I told them I never got a check nor did I cash a check. I told them I never applied for a loan. I have asked them to prove to me the account is mine by sending me the contract or promissory note as well as a copy of the check I was said to cash. I asked for all information about the loan. They have failed to provide me with any information about said loan but still report the account negatively on my credit as well as the collection agency is still presuming me for the loan. [Source: CFPB Complaint #3585617](#)

### *Ignoring Military Lending Act Protections*

- I have a "" Personal Installment Loan " through Rise Credit. I was recently educated on the Military Lending Act through a local agency financial counselor.

Rise Credit 's interest rate on my current loan is outrageously high. Does the Military

Lending Act not apply to them? I brought this up to them and that lenders have until XX/XX/XXXX to comply by lowering the interest rate to 36 % or under, and they said that the rule does not apply to them. Source: [CFPB Complaint # 2114395](#)

#### **IV. Complaints against OppFi**

The CFPB's complaints database contains 291 complaints against OppFi through March 2, 2023. The complaints were categorized by the consumers as follows (though a given complaint may raise several other issues):

- Incorrect information on your report (58)
- Charged fees or interest you didn't expect (46)
- Attempts to collect debt not owed (28)
- Struggling to pay your loan or bill (22)
- Problem with a credit reporting company's investigation into an existing problem (19)
- Improper use of your report (18)
- Written notification about debt (14)
- Getting the loan or line of credit (14)
- Problem when making payments (12)
- Problem with the payoff process at the end of the loan (7)
- False statements or representation (5)
- Problems when you are unable to pay (5)
- Communication tactics (4)
- Took or threatened to take negative or legal action (4)
- Can't stop charges to bank account (3)
- Credit monitoring or identity theft protection services (3)
- Getting a credit card (3)
- Received a loan you didn't apply for (3)
- Can't contact lender or servicer (2)
- Loan payment wasn't credited to your account (2)
- Money was taken from your bank account on the wrong day or for the wrong amount (2)
- Shopping for a loan or lease (2)
- Threatened to contact someone or share information improperly, or improper contact or sharing of info (3)
- Closing your account (1)
- Fees or interest (1)
- Fraud or scam (1)
- Managing the loan or lease (1)
- Taking out the loan or lease (1)
- Was approved for a loan, but didn't receive the money (1)

Below is a small sampling of complaints filed with the CFPB against OppFi. A full listing of OppFi CFPB complaints that have consumer narratives is attached as Exhibit C.<sup>39</sup> Examples of

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<sup>39</sup> Of the 291 CFPB complaints against OppFi, 165 have consumer narratives.

complaints submitted to BBB are included in Exhibit D.

*Lack of transparency around high interest rates*

- I obtained a small personal loan through Opp Loans online, and the process was questionable. They required the log in information for my bank, and after the loan was " approved " and I changed my password, they required additional information, which included access to my bank accounts again. After making about 10 payments or so, I had some financial difficulty around XX/XX/2020, as many others. I emailed and called, spoke to " XXXX " and she said she would waive interest and any fees, and push my next payment out to XX/XX/2020 with their " Borrower Assistance Program ". On XX/XX/2020, I used online bill pay through my bank to send a check to Opp Loans for {\$300.00}, more than 2x the amount of my previously scheduled payments. I did this early so they would receive it before XX/XX/XXXX. They never posted the payment to my account. It was received by them ( and stamped ) on XX/XX/2020, and cashed/cleared my account XX/XX/2020. I have emailed many times, and called, and they insist that I never paid. In addition, they charged interest and additional fees to my account, going against the arrangements made under their " Borrower Assistance Program ". Today is XX/XX/2020. When I called Opp Loans and spoke to one of their reps, he claimed that he did not receive my email which had 2 screenshots showing the {\$300.00} was taken from my account, and claimed that the payment was never received. When I told him I would go to the police department to file a report for fraud, he got angry, kept cutting me off while I spoke, and yelled that he could transfer me to the payments department. Someone at Opp Loans has my payment. They already ripped me off with a 160 % APR, so I am repaying almost double the loan amount. Even when I provided the reference # and check # from the bank, they ignored my emails. Two hours after mentioning that I would file a police report, Opp Loans reported false information to XXXX about my current balance in retaliation. Source: [CFPB Complaint #3634327](#)
- California passed the Fair Access to Credit Act on XX/XX/XXXX. The cap on interest rates in California is 36 %. I took out my loan XX/XX/XXXX. My interest rate is 159.22 %. Opps loans refuse to update the contract. I am grossly being overcharged. I am requesting that this get looked into. Source: [CFPB Complaint #3652625](#)

*Harassment and aggressive contacting when struggling to pay a loan*

- After losing my job and having a hard time making payments on the loan I received from Opploans ( which was 160 % apr ) they started calling me nearly every day and also calling my family members. It got even worse when they started calling me on Sundays at XXXX XXXX. Which is against the federal regulations of debt collection practices. I will be filing suit. Source: [CFPB Complaint #3533867](#)
- Calling work repeatedly sometimes 3-4 times an hour up to 15 times a day during work. Repeatedly calling cell number from spoofed phone numbers (if you try to call back the number is not a working number ). Did not receive postal mail confirmation of collection even though I asked for it over the phone. Source: [CFPB Complaint #3547342](#)

*Receiving loans that they never applied for and identity theft*

- I have reached out to the company several times in the last year and a half providing information to them showing them the account was not mine. I've sent a police report, FTC report, my identification and a plethora of other documentation just to be told that information was not good enough. This has gone on for far too long. I have not received an original contract proving the debt belonged to me -- just a statement. Also, according to my credit report, each reporting agency has a different opening date. But if this information was accurate why are they all reporting the same thing? Reporting an error and even fixing an error is a violation with a fine of {\$1000.00}. Source: [CFPB Complaint #5126404](#)
- on XX/XX/2021 and email was received stating my payment will be taken out on XX/XX/2021. However, I had never heard of this company, I tried to contact the company via phone numbers on the website and email and the calls could not go through. I reached out via XXXX and XXXX. As I never heard of this company or applied for a loan through any of the sub-companies they have listed. I have asked for my information to be removed or how to go about it. They will not answer and when they do they do not offer help. I did not give permission to a company i have no clue who they are to offer me loans or to even have my personal information. I want it removed. Source: [CFPB Complaint #4578538](#)

*Ignoring Military Lending Act protections*

- Company offered {\$2800.00} loan to my husband at 24 % interest without disclosing " customary fee " which brings total to 160 % interest. Company says this fee is not interest " for the purpose of Tennessee law ". I asked about protection under the military lending act and they said they never heard of it. They said " the state regulates the interest amount ". If that is the case, why is their outrageous fee " Not interest for the purpose of Tennessee law "? Paid {\$460.00} this month. Principal balance dropped by {\$78.00}. Next payment due is {\$630.00} Company said payment will be different every month. How does an installment loan have a different payment every month? How can it ever be paid off if it accrues over {\$400.00} in interest per month? He was medically seperated from XXXX XXXX due to a XXXX XXXX XXXX causing XXXX XXXX XXXX XXXX XXXX, XXXX, and XXXX XXXX. He is XXXX XXXX XXXX and his only income is VA XXXX. This company is preying on people like XXXX. Source: [CFPB Complaint #2895346](#)
- I contacted this firm opp loans several times XX/XX/2019 and XX/XX/2019, as a consumer regarding the high interests rates being charged on my loan. I informed them that military spouses and familys ( my husband is XXXX XXXX ) that we are protected against high interest rates. They informed me that they needed proof to review my interest rate. They then informed me that spouse loans are not covered under the military lending act and was notified by their legal department. My current interest rate is 159 % on short term installment loan. Please assist. Source: [CFPB Complaint #3354050](#)

### *Credit reporting problems*

- This loan was charged off at {\$3300.00} ( approximately ) in XXXX. When I hired XXXX XXXX in XXXX to challenge this item on my credit reports, Opportunity Financial changed the amount and retaliated against me by increasing the amount due on my credit reports to over {\$5100.00} with no justification. Opportunity Financial has a legal obligation to accurately report the past due debt. Likewise, the creditors have an obligation to report accurate information which has been wrong now for more than 3 years. Source: [CFPB Complaint #4169454](#)
- A while back, I had a loan with Opportunity Finance that went into collections. But several months back I contacted them and arranged a settlement to resolve the account that they agreed to. This arrangement was made and fully funded in XXXX of 2020. Despite that, Opportunity continues to report that there is an outstanding balance on this loan. I've disputed the account several times with the credit bureaus, and even called Opportunity Finance and asked them to fix this ; but this account still shows as unresolved on my credit report. Source: [CFPB Complaint #3318860](#)

### **V. Conclusion**

The FDIC should downgrade FinWise Bank's CRA rating in light of the extensive evidence of the abusive lending and potential violations of the law involving its lending program. High-cost credit that extracts wealth and burdens borrowers in debt does not meet credit needs in a responsible manner and must be penalized on CRA exams.

For questions about these comments, please contact Nadine Chabrier at the Center for Responsible Lending at [Nadine.Chabrier@responsiblelending.org](mailto:Nadine.Chabrier@responsiblelending.org) or Lauren Saunders at the National Consumer Law Center at [lsaunders@nclc.org](mailto:lsaunders@nclc.org).

Yours very truly,

Accountable.US  
Americans for Financial Reform  
Center for Responsible Lending  
Consumer Action  
Consumer Federation of America  
National Consumer Law Center (on behalf of its low-income clients)  
Public Citizen  
U.S. PIRG  
Woodstock Institute