



News Release  
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For Release

## WFCU CREDIT UNION ANNOUNCES SMARTERCASH A PAYDAY ALTERNATIVE

WINDSOR, ON - In his presentation at the Large Urban Caucus Learning Lunch at the Association of Municipalities of Ontario (AMO) Annual Conference, WFCU Credit Union President, Eddie Francis announced today that WFCU Credit Union is introducing a new alternative to payday loans. Branded **SmarterCash: A Payday Alternative**, WFCU Credit Union became Ontario's first financial institution to offer an affordable alternative to assist borrowers to break away from the predatory payday cycle.

With the increase in predatory lenders, these services have put consumers at risk of deeper debt. Credit Unions offer an alternative solution with increased transparency, reduced costs, and a solution that reduces the risk of repeat borrowing. Ontarians are looking to high interest payday lenders when they are in need of quick cash. **WFCU Credit Union has a responsible alternative.**

In April 2016, Ontario announced public consultation seeking input on lower rates for payday loans in an effort to strengthen consumer protection for borrowers. The government issued a report to consult on the current cost of borrowing a payday loan and the proposed alternatives ranging from \$15 - \$19 per \$100 borrowed. WFCU Credit Union has introduced **SmarterCash an alternative of \$1.42 per \$100 borrowed.**

Typical payday loans average \$300 and are designed to be repaid by the borrowers next pay period, in 14 days and cost the borrower \$63.00 or an equivalent annual interest rate of 546%. At WFCU Credit Union a SmarterCash loan is designed to help borrowers break away from predatory pricing and provide a fast convenient alternative where the same \$300 loan will cost the borrower \$4.25 (AIR 37%), a savings of 509%.

The SmarterCash product also provides users the ability to build credit, establish financial strength and build real savings.

WFCU Credit Union President Eddie Francis stated, "We need to educate users of payday loan entities that they are paying too much for short term financing when there is an alternative. These individuals are in need of a product that meets their financial requirements but also provides them opportunity to improve their financial health and at the same time get out of the payday loan cycle. We have heard from municipalities, the Province, and their concerns of having a payday lender located on every corner. We have responded to the desire of the Province to look for solutions to this growing issue. We are providing our members with a smarter and responsible solution in a SmarterCash loan. WFCU Credit Union through the SmarterCash product is offering an affordable alternative to payday lending that promotes the credit union principles and values to the underserved in a socially responsible way."

WFCU Credit Union is a full service financial institution offering a variety of savings, borrowing and investing products and services. The SmarterCash loan product is designed specifically to meet the needs of the payday loan user.

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**About WFCU Credit Union**

WFCU Credit Union is one of the leading, progressive financial organizations in the City of Windsor and Essex County. Serving Windsor and surrounding communities for over 75 years, WFCU Credit Union manages \$2.4 billion in assets and \$3.5 billion in member service totals. The credit union is the sixth largest in Ontario, operating nine retail locations in Essex County, serving 36,200 personal, business and organization members. Members outside Essex County and throughout Ontario can now receive the same great service experience through Omnia Direct, the credit union's virtual branch. With a long-standing mission to 'provide services and a full range of highest quality financial products to make our community the best place to live and work', WFCU Credit Union stands true to its vision 'WFCU Credit Union - Quality, Convenience, Innovation, Open to Everyone and Yours to Own'. For more information on WFCU Credit Union and Omnia Direct visit [wfcu.ca](http://wfcu.ca) and [omniadirect.ca](http://omniadirect.ca).

**About Central 1 Credit Union**

From their headquarters at the Credit Union Centre in Vancouver and offices in Toronto and Mississauga, Central 1 Credit Union is the collective voice of their member credit unions. Central 1 represents a consumer-oriented, full-service retail financial network of 127 credit unions, holding more than \$92 billion in assets and operating 872 branches, serving upwards of 3.2 million members. Central 1 acts on behalf of member credit unions in B.C. and Ontario through relationships with federal and provincial regulatory agencies, ownership position in Credit Union Central of Canada and through ties to other provincial centrals and affiliated organizations. As an organization, they have over 600 employees and hold \$13.1 billion in assets.