

Illinois Trends in Payday Lending

Illinois Payday Loan Reform Act (PLRA)
Consumer Reporting Service
October 2006



Provided by Veritec Solutions with permission for the provision of statistical information from the Illinois Department of Financial and Professional Regulation

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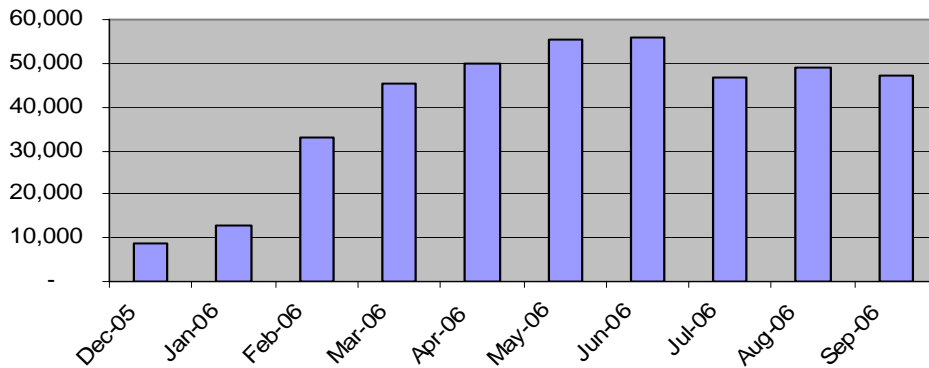
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Transaction Volume by Month (PLRA)

Total Payday Loan transaction volume for the ten-month period from December 2005 through September 2006 was approximately 405,000 loans. These loans represent a total Advance Amount of approximately \$136.1 million and Advance Fees of approximately \$20.8 million.

Transaction Volume by Month (PLRA Loans)



The PLRA transaction volume noted above represents the registered activity of 149 licensed locations owned by 78 companies.¹

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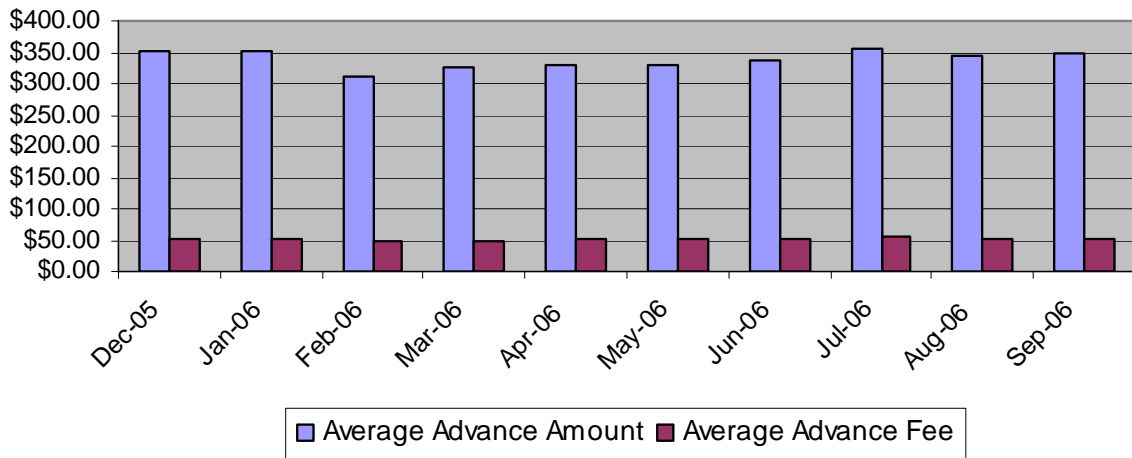
¹ Includes PLRA transaction activity registered with the approved PLRA Consumer Reporting Service during the period.

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Average Term, Advance Amount and Fee Amount - PLRA

The average Payday Loan conducted during the period from December 2005 through September 2006 was for an advance amount of approximately \$334.69 with advance fees of \$51.07 (i.e., approximately 15.3% of the average advance amount). The average term for PLRA loans during this period was 15.7 days.

Transaction Averages (PLRA)



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Consumer Usage of Payday Loans

The average number of transactions per consumer between January 2006 and September 2006 was approximately 3.9 PDLs.

Consumers that took out less than 12 PDLs during the nine month period accounted for approximately 95.8 percent of consumers and 84.6 percent of the transactions conducted during the period.

January 2006 through September 2006			
Number of PDLs	% Total Consumers		% of Total PDLs
1	28.2%	95.8% of customers	7.1%
2	17.4%		8.7%
3	12.9%		9.7%
4	9.3%		9.3%
5	7.1%		8.9%
6	6.0%		9.0%
7	4.6%		8.0%
8	3.6%		7.3%
9	3.0%		6.8%
10	2.2%		5.5%
11	1.5%		4.2%
12	1.2%	4.2% of customers	3.6%
13	0.9%		2.9%
14	0.7%		2.3%
15	0.5%		1.7%
16	0.3%		1.3%
17	0.2%		1.1%
18	0.1%		0.6%
19	0.1%		0.5%
20	0.1%		0.4%
21	0.0%		0.2%
22	0.0%		0.2%
23	0.0%		0.1%
24	0.0%		0.1%
25	0.0%		0.1%
26	0.0%		0.1%
27	0.0%		0.1%
28	0.0%		0.0%
29	0.0%		0.0%
30 or greater	0.0%		0.1%

84.6 % of transactions

15.4% of transactions

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Consumer Usage of Providers and Provider Locations – PLRA

A majority of consumers patronized a single licensee company during the period from February 2006 and September 2006. Over 97 percent of consumers took out PDL advances with 2 or fewer licensee companies during the period.²

# PDL Companies Used	% Customers	
1	84.91%	97.9%
2	13.01%	
3	1.78%	2.1%
4	0.25%	
5	0.04%	
6	0.01%	
7	0.00%	

A majority of Consumers patronized a single store location during the same period. Over 95 percent of Consumers took out PDL advances with 2 or fewer store locations during the period.

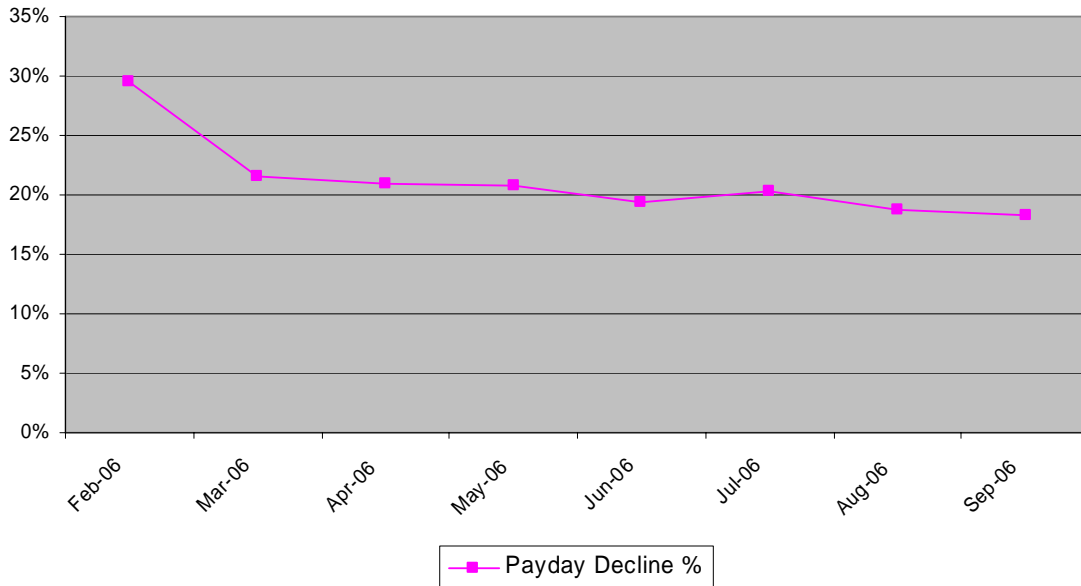
# Store Locations Used	% Customers	
1	79.1%	95.7%
2	16.6%	
3	3.4%	4.3%
4	0.7%	
5	0.2%	
6	0.0%	
7	0.0%	
8 or more	0.0%	

² A “PDL Company” includes all licensed locations owned by a single company according to publicly available Illinois Department of Financial and Professional Regulation licensing records.

Declined Consumer Eligibility Checks - PLRA

The average decline rate for Payday Loans averaged approximately 21.0 percent of total transaction requests during the analysis period.³

**Declined Eligibility Checks
(% of total transaction requests)**

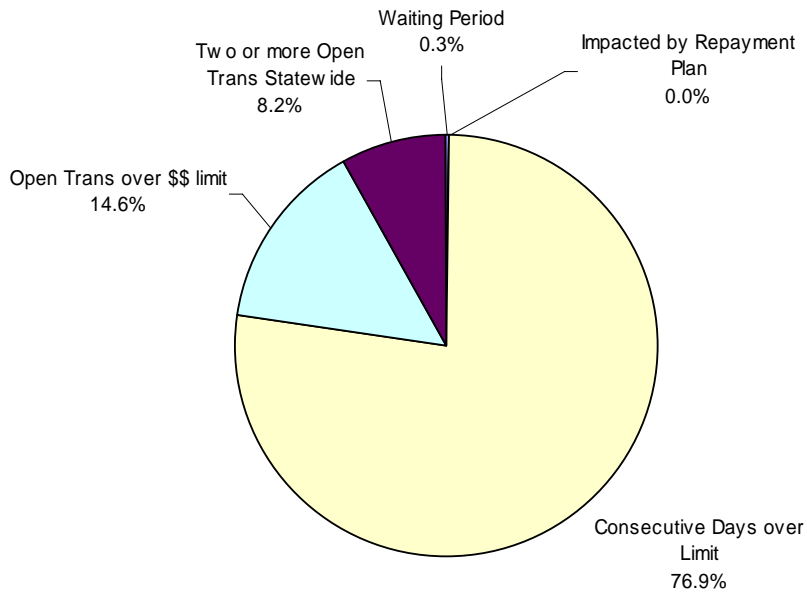


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³ Assumption that declined consumer intended to open a loan. Total transaction requests = number of opened transactions plus the number of declined eligibility checks. Includes multiple declined eligibility checks for the same consumer.

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A majority of declined eligibility requests are based on exceeding the limit for consecutive days in the product (76.9%). The figure below provides information about the reasons for declined eligibility under PLRA during the period from February 2006 through September 2006.



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SSN Validation

The Illinois Consumer Reporting Service includes the capability to validate Social Security Numbers associated with loan transactions registered to the database. A warning notice is provided, as noted in the table below, based on the outcome of the validation search. The table below summarizes the results of the validation searches submitted during the period from February 2006 through September 2006.⁴

Description	Event Count	% of Total Loan Count
Fraud, SSN associated with deceased person	786	0.2%
Fraud, SSN has not been issued by SSA	2,575	0.5%
Warning, SSN issued w/i 5 years of inquiry	3,618	0.7%
Warning, SSN may have been issued prior to DOB	3,958	0.8%
Valid SSN	839,142	

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⁴ SSN Validation provides information about the validity of the social security number submitted for validation. SSN Validation does not provide information about the name associated with the social security number submitted.