



**CONTRACTOR MARKETING GUIDELINES
FOR LAFAYETTE FEDERAL CREDIT UNION
CONTRACTOR FINANCING PROGRAM**

Effective January 16, 2018

The Marketing Guidelines are not intended to serve as legal advice. As there are specific laws governing advertisements of credit terms and conditions, we require you to contact us in writing and recommend you consult legal counsel with regard to any marketing campaign in which you engage in.

The following outlines requirements for promotional materials you use to promote the Lafayette Federal Contractor Financing Program. Any changes to the marketing language provided in this presentation requires express approval by Lafayette Federal Contractor Financing.

Disclaimer & Logo Requirements

Disclaimer Size

The required disclaimer must be no smaller font than $\frac{1}{5}$ the size of the statement being disclaimed. If $\frac{1}{5}$ is smaller than size 8 font, the disclaimer must be in size 8 font.

Size 8 font is the minimum for any disclaimer.

- Example: Ad language is 100 pt. font. $\frac{1}{5}$ of 100 is 20. Disclaimer must be minimum 20 pt. font.
- Example: Ad language is 35 pt. font. $\frac{1}{5}$ of 35 is 7. Because 7 is less than 8, the Disclaimer must be 8 pt. font.

Disclaimer Location

Disclaimers must be in close proximity and connected with an asterisk or footnote to advertisement language.

Use of the Contractor Financing Program Logo

The logo is a registered trademark of Lafayette Federal Contractor Financing and may only be used with written permission.

Summary of Requirements

You may use the approved messages provided. Any variation to the language provided here must be approved by Lafayette Federal Contractor Financing before use. Installment loans in the Programs are "closed-end credit" for purposes of Regulation Z and the Truth in Lending Act.*

Remember:

- Statements made about financing in marketing materials must be accurate, reflect credit products actually available, and be clear and conspicuous.
- Use short, succinct messages that avoid "triggering terms" that require additional disclaimers.
- Review specific requirements for channel (e.g. online, tv, radio).
- If you offer financing from multiple financing providers, you must distinguish the offers from each company and have the correct disclaimers associated with the correct product.
- Do not imply a false sense of urgency. Promotion end dates may not be used in advertising unless a promotion truly expires and will no longer be available.
- Lafayette Federal Contractor Financing discourages the use of "Same as Cash" and recommends using the term "deferred interest."
- Avoid using terms such as Same as Cash, Instant Approval, and the Lafayette Federal Contractor Financing logo without our express permission.

* Regulation Z contains rules regarding advertising such closed-end loans (see, 12 C.F.R. §1026.24).

Triggering Terms

What is a "triggering term"?

- The amount or percentage of any down payment;
- The number of total payments or total period of repayment;
- The amount of any payment; or
- The amount of any finance charge (meaning the dollar amount of the finance charges, not APR)

What does this mean to you?

- Federal law requires additional disclaimers when "triggering terms" are used
- If your ad has "triggering terms," the ad must also include the following information:
 - The amount or percentage or any down payment (including the fact no down payment is required);
 - The terms of repayment, (including terms of entire repayment period and

repayment amounts); and

–The APR(s) for the entire term of the loan.

Contact Lafayette Federal Contractor Financing for additional required disclaimers if you use “triggering terms” in your advertisements.

Example Triggering Term Headlines to Avoid

- 84 Monthly Payments!
- Payments as Low as \$100/Month!
- \$0 Interest!
- 3.99% for 48 Months!

General Financing Advertisements with Minimal Disclosures

When it's more practical due to space limitations or you want to limit the size of the disclosure, we recommend using general advertising headlines such as the following which only require a short disclaimer.

- General Headline Suggestions that do not reference Lafayette Federal Contractor Financing
 - Realize your dreams today with convenient financing options*
 - Special financing available*
 - Ask about our financing options*
 - Buy now, pay over time!*
 - Competitive financing available!*
 - Payments that fit your budget*
 - Financing that fits your budget*
- General disclosure/footnote (for all of above)

*Subject to credit approval. Ask for details.