



www.consumerserviceallianceoftexas.org

- Consumer Service Organizations must:
 - disclose the cost of the service they provide both as a dollar amount and as part of an annual percentage rate;
 - comply with an extensive set of federal and state laws and regulations;
 - including Chapter 393 of the Texas Finance Code;
 - provide customers a 3-day right to change their mind without charge;
 - only collect past due amounts in a professional, fair and lawful manner; and
 - never threaten or pursue criminal action against a consumer because of a default.

- Given the disclosure and compliance requirements that already exist for credit services and small, short term loans, hard-working Texans are capable of evaluating their credit choices and making their own financial decisions.

- Individuals who are paid monthly such as teachers, nurses and state or local government employees often need small, short term loans to handle financial emergencies such as car repairs or medical bills that must be paid before their next paycheck.

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Credit Service Organizations provide retail financial products and services to Texas consumers. From stores in neighborhoods across the state, hard-working Texans have access to small, short term loans; money orders; pre-paid telephone and debit cards and other services to help them manage their finances.

One of the services a CSO provides is locating and securing an independent third-party lender for customers who need small, short term loans for immediate financial needs. CSOs do not provide loans to consumers.