



**INDEPENDENT PAYDAY LOAN
ASSOCIATION OF CANADA**
**Responsible Short Term Lending
with Consumer Protection in Mind**

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MEDIA RELEASE

IPLAC RESPONDS TO INACCURATE REPORTS

FOR IMMEDIATE RELEASE

March 1, 2021

(MISSISSAUGA, ONTARIO) The Independent Payday Loan Association of Canada (IPLAC) feels it necessary to respond to the inaccurate ACORN Canada report “Study on High Interest Loans – A Report” and the CTV report “Use of payday loans surges amid COVID-19 pandemic, new survey finds”.

On February 17, 2021, local media reported, on television and on the web, protests against “predatory lending” led by the anti-poverty activist group. Much of the information in this report was sourced from their report, whose content vilified the payday loan industry, calling for aggressive additional laws and regulations. It also included a wish list for the banks, inaccessible to many who use payday loan services.

“The report builds fear, inaccurately confounding short term fees with long term interest and conflating well regulated payday loan products with less regulated installment and title loans.”, stated Patrick Mohan, IPLAC President.

The report also suggested a level of dissatisfaction with payday loans which is significantly higher than that reported in the industry’s own regular customer services surveys.

Most notably, the inference of the reports is that our customers are victims of “predatory lending.” IPLAC’s members provide excellent customer service and are fully transparent and open regarding the regulated fees associated with their products. Our customers are hardworking and employed but without access to standard lending channels. They are most often appreciative and happy for the ability to visit the store, on average, three to four times a year to borrow a few hundred dollars for a week or two.

Worse, the report proposes additional regulations to increase costs to our members, some of who have already left the market after the last round of government constraints. These recommendations would prevent our clients from accessing a legal, government regulated channel to meet their short-term needs. But the alternative, the banks providing more and better products for low-income customers, is almost fantastical. Banks are structured especially to avoid servicing our customers. It would seem that the report suggests that our customers simply endure, losing their jobs, their homes and their health.

Payday lenders are often the lenders of last resort for a small, short-term, unsecured loan. Our clients understand this and understand the costs associated with making this service available. And they are glad that, when they need help, we are there, early in the morning and late into the night.

IPLAC asks Canadian media to provide an accurate, balanced view of our industry and show the benefits we provide to our clients. More, we ask that they pay the respect due to those who turn to IPLAC members when rejected by banks and other financial institutions. These are intelligent individuals who work hard and do not deserve the coverage they receive.



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About IPLAC

We at IPLAC are a group of short term lending organizations who are Canadian operator owned and reflect the value of responsible lending.

Our mission is to work with stakeholders, legislators and regulators to create a safe and legally regulated environment where clients can borrow money when larger institutions will not allow them to do so.

IPLAC's members ensure that all of their clients are treated fairly and equally. Our members provide important services to all, regardless of race, ethnicity, or orientation or economic status.

About Patrick Mohan

Patrick Mohan is the President of the Independent Payday Loan Association of Canada, President & CEO of Money Direct Financial Services Inc.

Patrick is a valued member of several public and non-profit boards, with a focus on governance and communications. Patrick has built Money Direct organically to nine stores, with no debt and exceptional customer satisfaction.

For more information:

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To download our complete response to these inaccurate reports, visit iplac.ca.