

FAIR & RESPONSIBLE LENDING POLICY



Purpose

It is Challenge Financial Services' policy to treat everyone with professionalism, courtesy and fairness. Our employees strive to offer assistance, encouragement and service in a fair, equitable and consistent manner. The success of the Policy is the responsibility of the entire company. This Policy applies across all aspects of lending operations, including advertising and marketing, loan origination, processing, underwriting, servicing, collection, and loss mitigation activities.

Challenge Financial Services' commitment to fair and responsible lending principles is demonstrated throughout the company's structure and organization, in employee accountability, through various monitoring and auditing programs, and in education and training programs it offers. Challenge Financial Services' Management is responsible for establishing policies to ensure that operations and business practices reflect our strong commitment to fair and responsible lending, and that all employees are aware of that commitment.

Policy Statement

Challenge Financial Services has adopted a Fair and Responsible Lending Policy (the "Policy") to promote compliance with all applicable state and federal laws ensuring fair lending and equal access to credit, including but not limited to the federal Equal Credit Opportunity Act ("ECOA"), the Federal Reserve Board's Regulation B (which implements ECOA) and directives issued by the Consumer Financial Protection Bureau (CFPB) and the Federal Trade Commission (FTC). The Policy is also adopted to prevent unlawful discriminatory practices in relation to its lending activities.

Challenge Financial Services will not discriminate with respect to any aspect of a credit decision on the basis of race, color, religion, national origin, sex, marital status, disability, age (provided that an applicant has the capacity to enter into a binding contract), receipt of income from any public assistance program, sexual orientation, the good faith exercise of any rights under the federal Consumer Credit Protection Act, or the good faith exercise of rights under any state law allowing or recognizing Registered Domestic Partnerships, Civil Unions, or other such similar unions or partnerships regardless of the title assigned to them. Challenge Financial Services is fully committed to the principle that all decisions related to the granting or servicing of credit should be made with consideration of safe and sound business practices. Challenge Financial Services takes appropriate steps to ensure that this Policy is applied consistently and continuously through all aspects of its credit operations, including product design, marketing and advertising, loan application, underwriting, pricing collection, servicing, and loss mitigation activities.

If you believe that you have been subject to discrimination or you have any other concerns regarding Challenge Financial Services, you may send your complaint to:

Challenge Financial Services

<http://feedback.cfsnow.com>

Better Business Bureau

bbb.org

Consumer Financial Protection Bureau (CFPB)

consumerfinance.gov/complaint/

1500 Pennsylvania Avenue NW

Washington, DC 20220

Federal Trade Commission (FTC)

ftccomplaintassistant.gov