

# Newsletter



## Understanding Buy Now, Pay Later Services



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Keeping up with the latest financial products and services offered to consumers can be a challenge. This month, we look at Buy Now, Pay Later (BNPL) products, a type of small dollar installment loan that is typically interest-free for consumers. This unsecured loan is often offered to consumers at the point of sale online or in-store, allowing them to pay in four or less equal installments, with typically 25 percent of the total due at the time of sale.

When payments are made on time, a BNPL loan is typically free to consumers. The cost of the installment loan is often shouldered by the merchant, which is one of the many reasons the popularity of this product is growing so fast. Those without good credit scores may qualify easily, with no credit check or only a soft inquiry to the consumer's credit report to verify identity.

However, if the consumer falls behind on making payments on one or more BNPL products, costs add up quickly. Late fees can be charged, and collection companies can report a past due payment as a delinquency on their credit report. If consumers take out more BNPL loans than they can manage, debt payments can spiral out of control quickly.

BNPL products can seem very appealing to consumers. However, these products do not provide the same levels of protection that credit cards offer for disputes on purchases, reporting, and reasonable fees. Join us for our [webinar](#) on March 22 for more details on BNPL and how consumer protections, like the Military Lending Act, may apply to this installment loan product and to similar point-of-sale installment loans.

## Mark Your Calendar!

CEUs will be offered for AFCs and CPFCs.

MAR 22 [Understanding Buy Now, Pay Later Services](#)

APR 5 [Spouse Employment and Family Financial Readiness](#)

Watch recorded webinars and earn CEUs from events presented within the past 3 years.

[Click Here!](#)

## Announcements

Information is now available on the 2022 Military Family Readiness Academy, Family Well-Being: Navigating the Social Justice Landscape. Join us to explore and understand social justice so you can identify barriers that impact a family's health and well-being. You'll also gain a better understanding of how you can become a front-line social justice advocate. Sign up for the [mailing list](#) to get the latest updates.