

OPPOSE HB 1519 - Income Share Agreements (ISA)

Better Future Forward, the leading proponent of HB 1519, is the only ISA provider to have been disciplined by a federal regulatory agency. See reverse for details.

**UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU**

ADMINISTRATIVE PROCEEDING File
No. 2021-CFPB- 0005

In the Matter of:

CONSENT ORDER

**Better Future Forward, Inc.; Better
Future Forward Manager, LLC;
Better Future Forward Opportunity
ISA Fund (CP1), LLC; and Better
Future Forward Opportunity ISA
Fund (CH1), LLC**

The Consumer Financial Protection Bureau (Bureau) has reviewed the student-loan-origination activities of Better Future Forward, Inc.; Better Future Forward Manager, LLC; Better Future Forward Opportunity ISA Fund (CP1), LLC; and Better Future Forward Opportunity ISA Fund (CH1), LLC (collectively BFF or Respondents, as defined below) and has identified the following law violations:

- Better Future Forward (BFF) is the leading proponent of the bill to give the ISA industry their own law. This law would make Illinois the first state in the nation to do this.
- Among the CFPB’s findings in the [consent order](#) with BFF was that BFF entered into ISAs with students in the Chicago area. See Consent Order ¶ 6.
- BFF does not have a license to make loans in Illinois.
- BFF engaged in deception by telling borrowers that their ISAs are not loans and do not create debt. See Consent Order ¶ ¶ 19-23.
- BFF failed to give borrowers required disclosures, including “a statement that if the consumer filed for bankruptcy, the consumer may still be required to pay back the loan.” See Consent Order ¶ 32.
- The “Required Disclosures” section of HB 1519 does not include the required disclosure pertaining to bankruptcy. See HB 1519 § 7-75.
- One of BFF’s ISA products imposed an unlawful prepayment penalty of 10%. See Consent Order ¶ 39.
- HB 1519 permits a lender to calculate a prepayment amount using “any method” (emphasis added). See HB 1519 § 7-80.