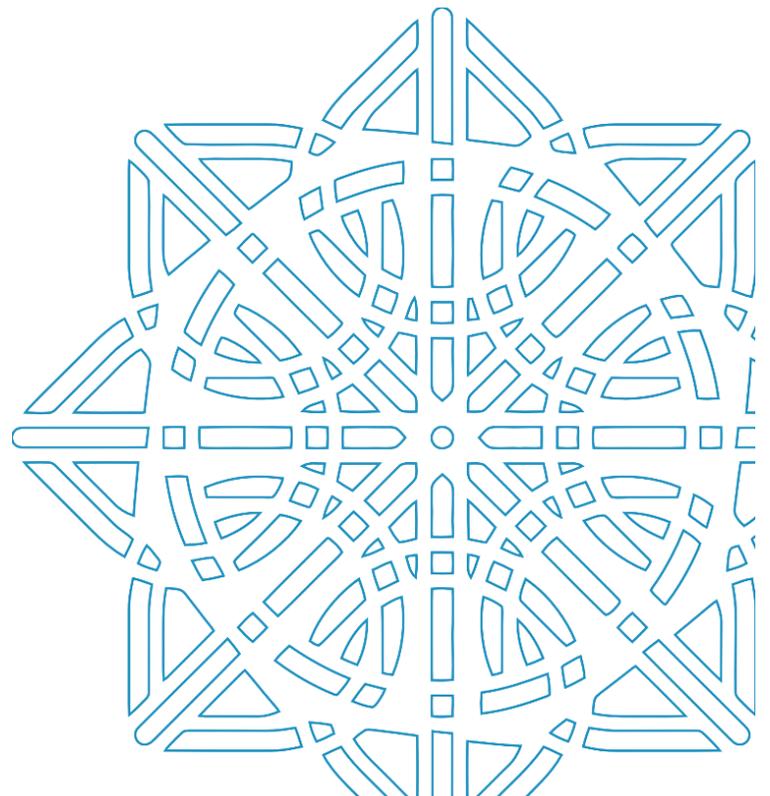


SAFETY COUNTS

Cashfloat's guide to online safety



Eleven Ways to Stay Safe When Taking Out Loans Online

When you take a loan, you enter into a binding agreement with the lending institution. This is a legal agreement in every respect. Therefore, you should be interested in working with a serious company that gives good service. We can't always be sure that any company is authentic and serious, and will provide good service, but we should employ our common sense.

For example, let's say you walk into a restaurant. If the place is dirty, there is poor service and the food doesn't seem fresh, it's best to walk out. If the place is neat, clean, the service is good and the food is fresh, then we can guess that it is a good place. You may not be certain it tastes good, but at least there's a better chance of avoiding food poisoning.

Exactly the same logic applies when you want to make a deal with an online virtual website. You can never be sure if it is authentic or not, but there are several things to look out for. Here is a list of eleven different things to look out for.

#1 -SERIOUS-LOOKING WEBSITE

Is the website badly designed and hard to use? Keeping in mind that the loaning business is a serious one, you should expect the website to look more like your bank's website than that of an amusement park. Although some authentic companies may have sloppily-designed websites, that may be a sign that their business practices are sloppy too. Is this really the type of company you want to entrust your personal details to?

#2 -SECURE CONNECTION

It's child's play for a hacker to see what you are doing online when there is not a secure connection. If you are doing financial transactions over an insecure connection, you may as well be standing in Hyde Park yelling out your card details to anyone who walks past. How can you tell if a connection to a website is secure? Look up – next to the URL, you'll find a padlock. Companies pay to get this sign, and they are checked out first to make sure they're real and will take good care of your details. If you see a padlock there, you can relax.



#3 - REAL ADDRESS AND LICENSE

Does the company have a real address, with offices and real people working for them? Or is it some virtual, anonymous company? If a company does not have a real address somewhere on their website, be wary. It is also very important to always check that the license mentioned on the website is valid and belongs to the company. Many scams use licenses that actually belong to other people or companies and hope that no one will check.

#4- CONTACTABLE OR ANONYMOUS?

Again, check out who the people behind the company are. Do they have a phone number and/or email address and are happy to communicate with you, or are they hiding behind their website? When you're dealing with your finances, you want to make sure you know who you're dealing with.

#5 - LACK OF INFORMATION

There's been plenty in the news about payday lenders charging exorbitant fees and interests that the customer didn't know about before. Before deciding to use a loaning company, make sure that they give clear and specific information about everything, including how much you'll have to pay and when, what happens if you pay early and what charges and interests apply if you can't pay. If you see vague references to 'a small fee' or some other charges 'that sometimes apply', stay far away. You want companies that are clear and upfront about their costs.



#6 - COMPLICATED LANGUAGE

A good, reputable company cares for their customers. They want you to understand what happens when you sign up for a loan, and want to rule out any possible misunderstandings. If the information is written in a long and complicated fashion and is full of jargon, I would think they've got all sorts of hidden costs and T&Cs up their sleeves. Try to give them a call and see if they answer your questions to your full satisfaction.

#7 - ILLOGICAL PROPOSALS

If it seems too good to be true, it probably is. There's either something in the small print – or they're just completely illegal and don't bother warning you that they're out to empty your bank account.

#8 - GOOGLE

Google is a very useful tool when you're checking for scams. For example, let's say you've found this company called NeedSomeCash (as of now, no such company exists). Everything looks fine but you want to be sure. Type into Google: "NeedSomeCash problems" and repeat with a few other keywords, such as 'scam' or 'terrible'. If nothing negative comes up, you're ok. Remember though, there'll always be one or two customers who had bad experiences and want to tell the world, but you get this even with the best companies. It's if you have a whole list of people complaining that you need to beware – do you want to become one of those people?

#9 - CARD SAFETY

Whenever you use your card online, or over the phone, you will NEVER be asked for your PIN – if it's an authentic company, that is. Even your bank will never ask you for it. If anyone ever asks you for it, be very suspicious and do NOT give it to them. If you do, they will have all the information they need to empty your bank account within the next few minutes. Not nice. And by the way, if your PIN is 1234, or your birthday, go right now and change it. You want your PIN to be as secure as possible.

#10 - DIRECT LENDERS VS. BROKERS



Can you tell at a glance if the website is a direct lender or a broker? If not, stay far away! It is a scam or misuse of market power, even if the page appears first for the search term Payday loans.

A direct lender is the one who lends you the money. You deal with one company only, you apply to them,

are approved by them, get your money from them and pay them back. Nice and

simple. On the other hand, when you apply to a broker, they sell on your application to payday lenders for a fee, often sending it off to more than one lender to get back a quick positive response. Personally, I wouldn't want my personal details paraded around the internet... but the choice is yours. Just beware – some brokers charge up to £70 for their services, often taking the money directly from your account. When you're desperate for some quick cash, this doesn't seem fair. We therefore strongly recommend working with direct payday lenders only, and not applying for a loan through any intermediaries. When taking loans from a direct lender, you know exactly who you are dealing with.

#11 - SPAM EMAIL

We all get plenty of these. They're generally easily recognisable – but not always! It could seem like it's an email from your bank, or from a company you've just used. There are various techniques they use. They could be offering you a good deal, or telling you that you need to put in more details to avoid a fine. You will get a link to what you think is the authentic website, but in reality is a copy of it. You put in your details which are then used to take your money. Or you could be told to make a payment, but the money goes to them, not to the company you are trying to pay. There's a simple way to avoid this – rather than click on the link, just go straight to the website yourself.

Online loans are a great invention. But you should always check to ensure that your safety and interests are a priority for the lender. And as always, we recommend that you check for any cheaper alternatives that may be available to you.