

Re: CONSULTATION PAPER 330

Using the product

intervention power:

Continuing credit contracts

Against Cigno loans and co

Hi,

I started using Cigno loans a few years ago whilst I was studying and on centrelink. The first time it helped get me out of a bind. I borrowed \$400 and had to make 4 fortnightly payments of \$197. Meaning I paid almost double what I borrowed in 2 months.

Since the first time I have used it 10-20 times mostly because the first time got me behind in bills and constantly having to re-do the loan to catch up again, which only put me further behind. I have since started working full time and have only used it on the rare occasion. I think the ease of applying and having funds the same day or the next day makes it easily able to target the vulnerable and take advantage of them.

If I counted the amount of money I borrowed it would be close to 5-6k and I have repaid probably 10-11k. If this was a standard loan for \$5,000 I wouldn't even pay that much over 5 years. Where as these require payment so quickly. I have also been stung countless times by not being able to make a payment. First \$22 fee for changing the payment date. Then fees upon fees for missing a payment or two. With no help to try and catch up unless I could make a once off payment of around 400 which on centrelink I couldn't do.

I actually believe if I wasn't lucky enough to be able to borrow some money here and there from friends/family I would be drowning in debt as a result of Cigno loans and their partners.

I would be more than happy to pull actual records of payments received and payments made from my bank statements for you to use, or to answer any more questions regarding this if it would help. Or join any class action suits if there were any.

Thank you for your time,

[REDACTED]  
[REDACTED]  
[REDACTED]