

Small Business Borrowers' Bill of Rights

The way small businesses borrow money is being transformed. Innovators are providing faster and easier ways to borrow, and increasing access to credit in communities that have been underserved. This transformation will achieve its potential only if it is built on transparency, fairness, and putting the rights of borrowers at the center of the lending process. To that end, we have identified the fundamental financing rights that we believe all small businesses deserve. We encourage the entire small business financing industry to join us in upholding these rights.

1. The Right to Transparent Pricing and Terms

You have a right to see the cost and terms of any financing you are offered in writing and in a form that is *clear, complete, and easy to compare* with other options, so that you can make the best decision for your business.

2. The Right to Non-Abusive Products

You have a right to loan products that will not trap you in expensive cycles of re-borrowing. Lenders' profitability should come from your success, not from your failure to repay the loan according to its original terms.

3. The Right to Responsible Underwriting

You have a right to work with lenders who will set you up for success, not failure. High loss rates should not be accepted by lenders simply as a cost of business to be passed on to you in the form of high rates or fees.

4. The Right to Fair Treatment from Brokers

You have a right to transparency, honesty, and impartiality in all of your interactions with brokers.

5. The Right to Inclusive Credit Access

You have a right to fair and equal treatment when seeking a loan.

6. The Right to Fair Collection Practices

If you are unable to repay a loan, you have a right to be treated fairly and respectfully throughout the collections process. Collections on defaulted loans should not be used by lenders as a primary source of repayment.

1) The term "loan" and related terms used here such as "lending" are intended to be interpreted in the broadest sense possible so as to include loans, lines of credit, merchant cash advances, and similar products offered and provided to U.S. small businesses, whether or not such credit products are characterized legally or otherwise as loans. Similarly, the terms "lender" and "borrower" are intended to be interpreted in the broadest sense possible so as to include, in the case of lenders, credit marketplaces that facilitate loans on behalf of lenders, cash advance providers, and all manner of persons providing loans to U.S. small businesses or evaluating the creditworthiness of such small businesses in connection with providing a loan, and, in the case of borrowers, all U.S. small businesses who seek or obtain a loan.