

CHANGING WHAT'S POSSIBLE



SYNCHRONY PAY LATER ORIENTATION GUIDE: TRANSACT



Synchrony Pay Later helps to grow your business by attracting new customers who want flexible payment options to buy now and pay later.

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INTRODUCTION

INTRODUCTION

Synchrony's financing options are designed for you and your customers.

Overview

This Is The First Step To Offering Financing Options For Your Customers.

- Demonstrate how to achieve your business goals by offering a Synchrony Pay Later installment loan (aka “financing”).
- Explain how your different financing options work.
- Show how financing can help your customers get what they really want or need. Review “What you need to know” about offering financing fairly and compliantly.
- Show how to comply with Federal and State regulations, such as UDAAP and Fair Lending. Prepare to introduce financing to your team and customers as part of your sales process.

Customer Benefits

- Added payment flexibility with the ability to choose a quick and simple financing option for purchases big or small
- Predictable and transparent payments make budgeting easier
- Streamlined online application process with immediate decision

Your Benefits

- Help power new customer acquisitions
- Help power new demand from existing customers
- Flexible financing choices throughout the customer journey
- Simple and seamless integration

Getting Help

Merchants 855-872-6189

- Assistance with submitting applications and funding contracts
- Underwriting support 7 days a week
- Technical assistance with Business Center and Transact

Customers 844-373-4960

- Account questions
- Address updates

Please Note: Customer service representatives are authorized to speak only with customers about their account.



INSTALLMENT LOAN FINANCING

Synchrony Pay Later

Pay Monthly – a flexible, buy now, pay later, monthly installment loan

Overview

For partners who want to help attract and retain a new segment of consumers beyond those currently using revolving products, Synchrony Pay Later is a smart addition to their Synchrony credit portfolio that helps meet customer demand for payment choice and simplicity. Pay Later is a flexible payment solution that allows customers to finance a one-time purchase and pay it back over time through equal payments. Customers can have multiple Pay Later loans open simultaneously and there is no long-term commitment as the loan is automatically closed when it is paid in full.

Pay Monthly is available for larger purchases of \$500 or more. Equal payments are made by the customer on a monthly basis. There is no initial payment due at the point of sale. Approval requires credit check—an inquiry may appear on the customer’s credit bureau report and may have an impact on their credit score.

Customer Benefits

- Added payment flexibility with the ability to choose a quick and simple financing option for purchases big or small
- Predictable and transparent payments make budgeting easier
- Streamlined online application process with immediate decision

Client Benefits

- Help power new customer acquisitions
- Help power new demand from existing customers
- Flexible financing choices throughout the customer journey
- Simple and seamless integration

Example Pay Monthly Payment Plan

PROMO	MONTHLY PAYMENT FACTOR	TERM	LOAN AMOUNT		
			\$5,000	\$12,000	\$20,000
5.99% APR	4.00%	24 month	\$221.59/month	\$531.80/month	\$886.33/month
6.99% APR	2.40%	48 month	\$119.72/month	\$287.31/month	\$478.84/month
7.99% APR	1.50%	84 month	\$77.92/month	\$186.98/month	\$311.63/month
9.99% APR	1.25%	132 month	\$62.58/month	\$150.18/month	\$250.29/month

Note: Monthly payments depend on repayment period customer selects and APR.

ACHIEVING SUCCESS WITH YOUR CUSTOMER

The Three Pillars Of Success



Suggestions From Your Peers

Here are some tips from current merchants who are using the Synchrony Pay Later solution successfully. Synchrony Pay Later can be presented as a stand alone product or in conjunction with revolving credit.

- 1. Advertising:** Include Synchrony Pay Later or other mention of your financing product in your regular advertising.*
 - TV, radio and print advertising
 - Direct mail
 - On your web page
 - During on-hold telephone messaging
- 2. Training:** Train your staff to offer financing to EVERY customer EARLY in the sales process and discuss financing at staff meetings.
- 3. Pricing:** Use financing to help close more sales at higher average ticket amounts.
 - Financing is a cost of doing business just as payroll, rent, electric, etc. and any fees charged to you by Synchrony cannot be passed to your customers as an extra fee.

**Refer to disclosures in the Pay Later Marketing Toolkit.*

Transparency Principles: Compliance Requirements

Synchrony promotes full transparency and disclosure to all applicants for its financing product (the “Synchrony Bank Product”). To assure that applicants are aware of several key attributes of the Synchrony Bank Product, you hereby agree as follows:

1. You will ensure that training on how to offer, process and transact with the Synchrony Bank product is integrated into your existing associate training product. Helpful training materials including videos, self-paced courses and pre-recorded webinars can be found online at Synchrony’s Learning Center: bc.syf.com/learning.
2. Any fees that might be charged to you for a promotion may not be passed onto the customer. This practice is prohibited and you will be responsible for refunding customers accordingly.
3. You or your staff must inform all Synchrony Bank product applicants of the following:
 - Applicants should be provided with information about the different financing options available to them and how they work before the applicant is requested to choose one for their specific purchase. It is especially important for potential accountholders to understand the basic features of Fixed Interest Rate option, depending on which type of offer is available. The key concepts include:
 - The loan term and interest rate on a fixed loan
4. You will advise customers of any policy regarding returns/refunds.
5. These product guidelines are designed to provide transparency for your customers. Synchrony reserves the right to monitor your adherence to these and other Synchrony Bank product policies subject to the consequences defined in your Dealer Agreement.

Transparency Principles: Compliance Requirements (Cont'd)

Fair Lending Principles to Know

Credit must be offered to all applicants fairly and consistently. Failure to do so may result in allegations of discrimination, potential violations of federal or state fair lending laws, litigation or reputational risk. All customers should be encouraged to apply for credit without regard to race, color, religion, national origin, sex, marital status, familial status, age, disability, receipt of income (in whole or in part) from public assistance products, or an applicant's good faith exercise of a right under the Consumer Credit Protection Act. In addition, credit-related activities must be conducted in a way that is not considered unfair, deceptive, or abusive from the customer's perspective. Unfair activities are those that may cause unavoidable "substantial injury" (typically financial harm) to customers. Deceptive activities could include statements or omissions that mislead customers or influence their decision to buy or use a product or service. Abusive practices interfere with the customers' ability to understand the terms and conditions of a product or service; or which take advantage of the customers' lack of understanding or inability to protect their interests.

Clear and Accurate Communications

Your advertising, signage, and conversations with customers should help them understand and make informed choices regarding your products and available financing options. Disclosures should clearly and accurately describe the terms, conditions, and any limitations associated with the purchase and the Synchrony relationship the customer is establishing.

Taking and Processing Applications

All customers should be encouraged to complete and submit applications for credit. Do not discourage anyone from submitting an application, either through oral statements, body language, delays or discourtesy. Also, make certain that employees provide a consistent level of service in responding to questions from customers about the availability of credit and/or completing the application.

Completing the Credit Application

The credit application must be completed and signed by the customer before it is submitted to Synchrony for approval. Alimony, child support or separate maintenance payments do not need to be disclosed unless the customer wants this income to be considered.

Pricing and Fees

All fees included in the amount financed must be approved by Synchrony and be clearly disclosed in the loan documents to the consumer. Synchrony controls the pricing terms for approved customers. The availability of credit and any promotions must be consistently shared with applicants when they apply for credit and customers who accept the loan terms.

FAQ

FAQ: Merchants

Why would my customers want this product?

Pay Later is a simple and flexible way for customers to finance purchases with predictable, equal payments over a set period of time.

What is Pay Later and how does it deliver value?

Synchrony Pay Later is a single-purpose installment loan solution that can help attract a new segment of consumers looking for increased flexibility and simplicity. Pay Later gives your customers the power to make purchases today, and then pay them off over time in predictable, equal payments. Repayment terms vary and may be subject to interest. Customers can have several Pay Later loans open simultaneously in addition to a Synchrony credit card, all subject to credit approval, and each Pay Later loan is automatically closed once it is paid in full.

Why choose Pay Later?

Pay Later is easy to understand, and results in quick decisions for your customers. It also features a convenient digital experience, competitive interest rates, no application fee, and no early payoff penalties. Our Pay Later installment loan offers complement your revolving credit products to give your customers more ways to pay, which can help you approve and convert more customers. Consumers can rely on the quality of service they've come to enjoy from Synchrony thanks to our helpful customer service agents.

How can I start offering Pay Later in my business?

If you already offer Synchrony financing, contact your Synchrony Relationship Manager. If you're new to Synchrony, fill out the online form to get started.





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