

# US Marketing Compliance Guide

Pay in 4

# Introduction

Financial services is a highly regulated space, requiring Affirm and our partners to comply with a number of different laws. That's why **marketing needs to be reviewed and approved by Affirm's Compliance team** before publishing.

This guide provides a general overview of the requirements you'll need to consider, and how you can stay compliant.

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# Messaging Affirm Pay in 4

# Messaging

## Affirm Pay in 4

### OK

- 4 interest-free payments
- payments every 2 weeks
- 0% APR
- pay over time
- payment options through Affirm
- no fees
- real-time decision
- Pay in 4

### NOT OK

- monthly payments
- risk-free
- no money down; \$0 down
- instant approval

# Disclosures 101

# Applicable to all marketing

- Disclosures inform customers of **actually available** terms
- They must meet a “clear and conspicuous” standard
  - They must be **legible**—no one should have to squint to read them.
  - Contrast text with background: **this works well,** but **this does not.**
- If disclosures are separate from the claim they modify, tie the disclosure and the claim together with one of the following methods:
  - a hyperlink
  - reference text (see footer for details), or
  - a reference symbol (e.g., \*,†)
- If using a reference symbol, the claim ends with the reference symbol and **the disclosure begins with the same reference symbol**

# Level 1

*Payment options are offered by Affirm and are subject to an eligibility check. CA residents: Loans by Affirm Loan Services, LLC are made or arranged pursuant to a California Finance Lender license.*

## **When to use this disclosure:**

- Ad simply mentions Affirm and/or financing availability
- Ad does not mention specific terms of credit, such as “4 payments” or “\$50/month”

**Buy now, pay over time**

Just select **affirm** at checkout.

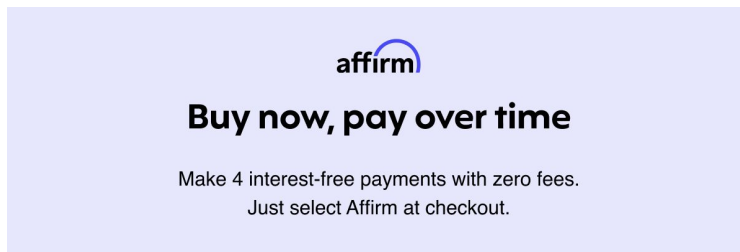



# Level 2

*Payment options are offered by Affirm and are subject to an eligibility check. Options depend on your purchase amount, and a down payment may be required. CA residents: Loans by Affirm Loan Services, LLC are made or arranged pursuant to a California Finance Lender license. For licenses and disclosures, see [affirm.com/licenses](https://affirm.com/licenses).*

## **When to use this disclosure:**

- Ad mentions specific terms of credit, such as “4 payments” or “4 payments of \$50 every 2 weeks”

A screenshot of an Affirm checkout option. At the top is the Affirm logo. Below it, the text reads "Buy now, pay over time". Underneath that, it says "Make 4 interest-free payments with zero fees. Just select Affirm at checkout." The entire content is centered within a light purple rectangular background.

  
**Buy now, pay over time**  
Make 4 interest-free payments with zero fees.  
Just select Affirm at checkout.

# Context-specific disclosures

These optional disclosures may be applicable, depending on the context.

## Payment or purchase amount

- *Estimated payment amount excludes taxes and shipping.*

## Cart floor/ceiling, based on your financing program with Affirm

- *Payments through Affirm are not available for purchases [over/under] \$[Insert cart floor/ceiling].* ] **Reminder to modify this disclosure if cart floor/ceiling changes**

## Where to find more information


- See [affirm.com/help](https://affirm.com/help) for details.

# Sample disclosure placement

Solstice Women Men Home Beauty

## Make 4 interest-free payments with Affirm

When inspiration strikes, say yes with confidence—knowing you'll never pay a penny more than your purchase price.



Buying with Affirm is simple

- 1. Fill your cart**  
Order summary: Subtotal \$180.00  
Shipping Address: Jennifer Marquez, 650 California St, San Francisco, CA 94103  
Payment Method: [Pay over time with Affirm](#) | [Credit or Debit](#)  
When you're done shopping, select Affirm at checkout.
- 2. Complete your purchase**  
Create your account: First Name, Last Name, Mobile Number, Email Address, Create account  
Enter a few pieces of info for a real-time decision.
- 3. Pay over time**  
Your 4 payments of \$37.50: Start of account \$180.00, 4 payments of \$37.50 (Jan 1, 2020, Jan 15, 2020, Jan 29, 2020, Feb 12, 2020)  
Make 4 payments every 2 weeks at [affirm.com](#) or in the Affirm app.

Just select **affirm** at checkout

Say yes with confidence

When you buy with Affirm, you always know exactly what you'll owe and when you'll be done paying. You'll never pay a hidden fee—or any fee, for that matter. And there's no impact on your credit score.

**Transparent**  
Enter a few pieces of info for a real-time decision.

**Simple**  
It only takes a moment, and there's no credit card to sign up for.

**Fair**  
Affirm won't charge you late fees or penalties of any kind, ever.

**DISCLOSURE HERE**

### FAQs

**Can I pay off my purchase early?**  
Yes! There's no penalty for paying early.

**How do I make my payments?**  
You can make or schedule payments at [affirm.com](#) or in the Affirm app for iOS or Android.

**Can I return an item I bought with Affirm?**  
Yes—You can return an item you bought with Affirm by initiating the return process with [Solstice].

**Do I need a mobile number to use Affirm?**  
Yes, you'll need a mobile phone number from the U.S. or U.S. territories. This helps us verify it's really you who is creating your account and signing in.

**Where can I learn more about Affirm?**  
You can visit their website at [affirm.com](#).



# Guidance for email, video and TV

# Guidance for marketing emails

- Emails with Affirm messaging must include disclosures as outlined on slides 6-11.
- The subject line and sender address must be accurate and not misleading.
- Marketing emails must include an opt-out mechanism, and cannot be sent to customers who have opted out of marketing emails.
- Opt-out requests must be honored within 10 days.
- Marketing emails must comply with the CAN-SPAM requirements outlined on slide 22.

# Guidance for video and TV

- Disclosures can be verbal or shown on screen.
- Disclosures must be legible to a reasonable person.
- Introduction of disclosures: Be sure they're introduced at the same time as or before the Affirm messaging, with enough video left to keep them on screen for the required length of time.
- Disclosures can be over any visual as long as they're visible at the bottom.
- Disclosures need to be based on a reading time of 3 words/second.

# Industry Specific Compliance supplement

# Industry Specific Compliance Supplement

Affirm works with thousands of different businesses across various industries; some of them may have additional requirements to market Affirm accurately and in compliance with applicable law. Consider the additional guidance if your business falls into one of the industries listed below:

- [Alcohol](#)
- [Healthcare & Elective Medical](#)
- [In-home sales](#)



# Final compliance reminders

# Final marketing compliance reminders

- If you are offering **coupons/discounts/rewards**, they should be redeemable across all tender types, including Affirm.
- Avoid “**no money down**” deferral messages when advertising Affirm as a financing option. Depending on eligibility criteria, certain customers may be asked to make a down payment at checkout.
- When in doubt, Affirm’s Compliance team is here to help!  
<https://businesshub.affirm.com/hc/en-us/articles/6402545332628-Submitting-Marketing-Custom-Assets-to-Affirm>

# Appendix: Consumer regulations

# Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)

Unfair, deceptive, or abusive acts and practices can cause significant financial injury to consumers, erode consumer confidence, and undermine the financial marketplace. UDAAP was established to prevent consumer harm by misleading or deceitful actions.

## Preventing UDAAP in advertising

To avoid UDAAP risk, marketing must:

- Include all relevant information
- Be clear and easily understood
- Avoid a false sense of urgency
- Be honest

## Additional context

Disclosures don't eliminate the UDAAP risk

- Disclosures are helpful with providing additional context, but they do not negate misrepresentations, omissions, or other deceitful claims.

Substantiate claims

- Provide a factual basis that underlies statements about the product.

Honor promotions & rebates

- All promotions offered must be honored—including any “risk free” trials, 0% APR financing, or money back guarantees.

Intent is irrelevant

- Regulators do not consider whether a company intended to mislead or cause harm when determining violations.

# Fair lending

**Fair Lending** applies to the entire lifecycle of a loan, including advertisement of the credit product. Fair lending means:

Federal and State laws prohibit discrimination during any part of the lifecycle of a loan, including in the advertisement of a credit product. As a partner retailer, when advertising Affirm financing, this means you must avoid discouraging individuals from applying. Retailers cannot impose additional application requirements to the application process.

While a retailer may be inherently attractive to a particular demographic, the retailer should avoid targeting Affirm financing based on customer demographic information, including:

- Race/Ethnicity
- Color
- Religion
- National origin
- Sex (including sexual orientation or gender identity)
- Familial status/Marital Status
- Disability
- Age (provided the applicant has the capacity to contract)
- Income dependency on a public assistance program

# CAN-SPAM Act

The **CAN-SPAM Act** covers “any electronic mail message the primary purpose of which is the commercial advertisement or promotion of a commercial product or service,” including email that promotes content on commercial websites. CAN-SPAM includes business-to-business email. The FTC has provided the below guidance to comply with CAN-SPAM:

1. **Don't use false or misleading header information.** Your “From,” “To,” “Reply to,” and routing information—including the originating domain name and email address—must be accurate and identify the person or business who initiated the message.
2. **Don't use deceptive subject lines.** The subject line must accurately reflect the contents of the message.
3. **Identify the message as an ad.** The law gives you a lot of leeway in how to do this, but you must disclose clearly and conspicuously that your message is an advertisement.
4. **Tell recipients where you're located.** Your message must include your valid physical postal address. This can be your current street address, a post office box you've registered with the U.S. Postal Service, or a private mailbox you've registered with a commercial mail receiving agency established under Postal Service regulations.
5. **Tell recipients how to opt out of receiving future email from you.** Your message must include a clear and conspicuous explanation of how the recipient can opt out of getting email from you in the future. Craft the notice in a way that's easy for an ordinary person to recognize, read, and understand. Creative use of type size, color, and location can improve clarity. Give a return email address or another easy internet-based way to allow people to communicate their choice to you. You may create a menu to allow a recipient to opt out of certain types of messages, but you must include the option to stop all commercial messages from you. Make sure your spam filter doesn't block these opt-out requests.
6. **Honor opt-out requests promptly.** Any opt-out mechanism you offer must be able to process opt-out requests for at least 30 days after you send your message. You must honor a recipient's opt-out request within **10 business days**. You can't charge a fee, require the recipient to give you any personally identifying information beyond an email address, or make the recipient take any step other than sending a reply email or visiting a single page on an Internet website as a condition for honoring an opt-out request. Once people have told you they don't want to receive more messages from you, you can't sell or transfer their email addresses, even in the form of a mailing list. The only exception is that you may transfer the addresses to a company you've hired to help you comply with the CAN-SPAM Act.
7. **Monitor what others are doing on your behalf.** The law makes clear that even if you hire another company to handle your email marketing, you can't contract away your legal responsibility to comply with the law. Both the company whose product is promoted in the message and the company that actually sends the message may be held legally responsible.
8. Please see <https://www.ftc.gov/business-guidance/resources/can-spam-act-compliance-guide-business> for FAQ's and e-mail examples.