affirm | 2025

How Affirm Empowers Consumers: Financial Safeguards

We believe in credit that works for people—not against them. That's why we never charge any late fees or hidden fees. We only succeed when consumers successfully manage their finances.

"Gotchas" found in many credit cards	Affirm's Practice
$15 billion a year in late fees	**$0** in late fees, penalties, deferred interest, or compound interest—ever
Open line of revolving credit (~$30K average limit)	No ability to revolve by design as Affirm underwrites every transaction individually (~$300 average transaction size)
Incentives: • Profit when consumers stay in debt and revolve outstanding balances with interest compounding into principal • Late fees and hidden charges as a profit pool • Lenders can benefit even when consumers are worse off	Incentives: • Lend what consumers can responsibly afford to repay • Partner with merchants to offer transparent payment options • Affirm succeeds when consumers repay, not when they fall behind
$10,000: average amount of revolving credit card debt per U.S. household	**$783**: average outstanding balance per Affirm user

"When I use Affirm, I think of it as responsible credit — like I'm being more intentional instead of just throwing it on a card. It makes me feel like I'm being more thoughtful with my money."

-Mandy

"I like to think of Affirm as a partner that I sometimes make use of. It feels like a safety net."

-Ashuma