

## AMERICAN FAIR CREDIT COUNCIL

The accompanying charts describe outcomes experienced by state-specific consumers enrolled in debt resolution programs over the more than ten-year period preceding the date of the data used to compile this summary presentation. These charts were prepared using state-specific data outputs extracted from a data set of more than 1.6 million individual nationwide consumers holding more than 11.7 million individual debts. Accordingly, it can be said with a high degree of confidence that the accompanying charts illuminate the actual consumer outcomes of a statistically significant population of state-specific consumers.

The national data set enabled the detailed and comprehensive analysis of consumer outcomes from participation in debt settlement programs presented in the report entitled, “Options For Consumers In Crisis: An Updated Economic Analysis of the Debt Settlement Industry (Data As Of March 31, 2020)” (the “2020 Regan Report”). However, the detailed descriptive analyses applicable to the similarly labeled charts presented in the 2020 Regan Report have not been replicated for this summary presentation. Given the contextual importance of much of the material presented in the 2020 Regan Report, this summary presentation should be read in conjunction with the referenced sections of the 2020 Regan Report, as further described here:

<b>Chart/Table</b>	<b>Analysis Description</b>	<b>2020 Regan Report Reference</b>
Table 4.1	Describes the key attributes of the state-specific data sets used in this Summary Presentation.	See §4 (pages 8-17)
Chart 4.4	Demonstrates that the probability of any given account settling is ~60% and rising, meaning program completion rates are also ~ 60% and rising (see Chart 4.7).	See §4(e), page 12
Chart 4.7	Illustrates that the longer a consumer participates in a debt resolution program the greater the likelihood that the consumer will complete the program.	See §4(e), page 12
Chart 4.8	Indicates the percentage of debt enrolled that becomes settled based on the amount of time the Client remained in the debt settlement program for both Completed and Terminated Clients. Demonstrates that even Terminated Clients still settle a significant percentage of their debts.	See §4(e), pages 16-17
Chart 5.1	Presents Debt Reduction and Fees for all Client Types (Active, Completed, and Terminated).	See §5(a), pages 17-18
Chart 5.2	Describes typical time to a Client’s first settlement.	See §5(a), page 19
Chart 5.3	Illustrates how the number of settlements achieved increases as a Client remains in their program.	See §5(a), page 20-21
Chart 5.5	Illustrates debt reduction per dollar of fees (\$2.62).	See §5(b), page 21-23
Chart 5.6	Illustrates that the typical completed client reduces their total debt at the time of settlement by approximately \$9,500 <b>after</b> fees.	See §5(c), page 22-23
Chart 6.1	Demonstrates that accretion in a debt resolution program is significantly less than continuing credit card payments.	See §6, page 25-30

**AFCC 2020 Report**

State:

California

The accompanying charts represent California-specific data outputs that are based on extracts from a much larger, multi-state data set containing the debt settlement program experience of more than 1.6 million consumers over ten years. This national data set enabled the detailed analysis of consumer outcomes that is presented in the report entitled “Options For Consumers In Crisis: An Updated Economic Analysis of the Debt Settlement Industry (Data as of March 31, 2020)” (the “2020 Regan Report”).

The detailed descriptive analyses of the data outputs in the 2020 Regan Report have not been replicated in this summary presentation. Accordingly, the charts herein should be read in conjunction with the similarly referenced sections of the 2020 Regan Report.

**Table 4.1**

Enrolled Clients	229,781
Enrolled Accounts	1,640,659
Total Enrolled Debt	\$ 6,679,849,139

**Key Metrics**

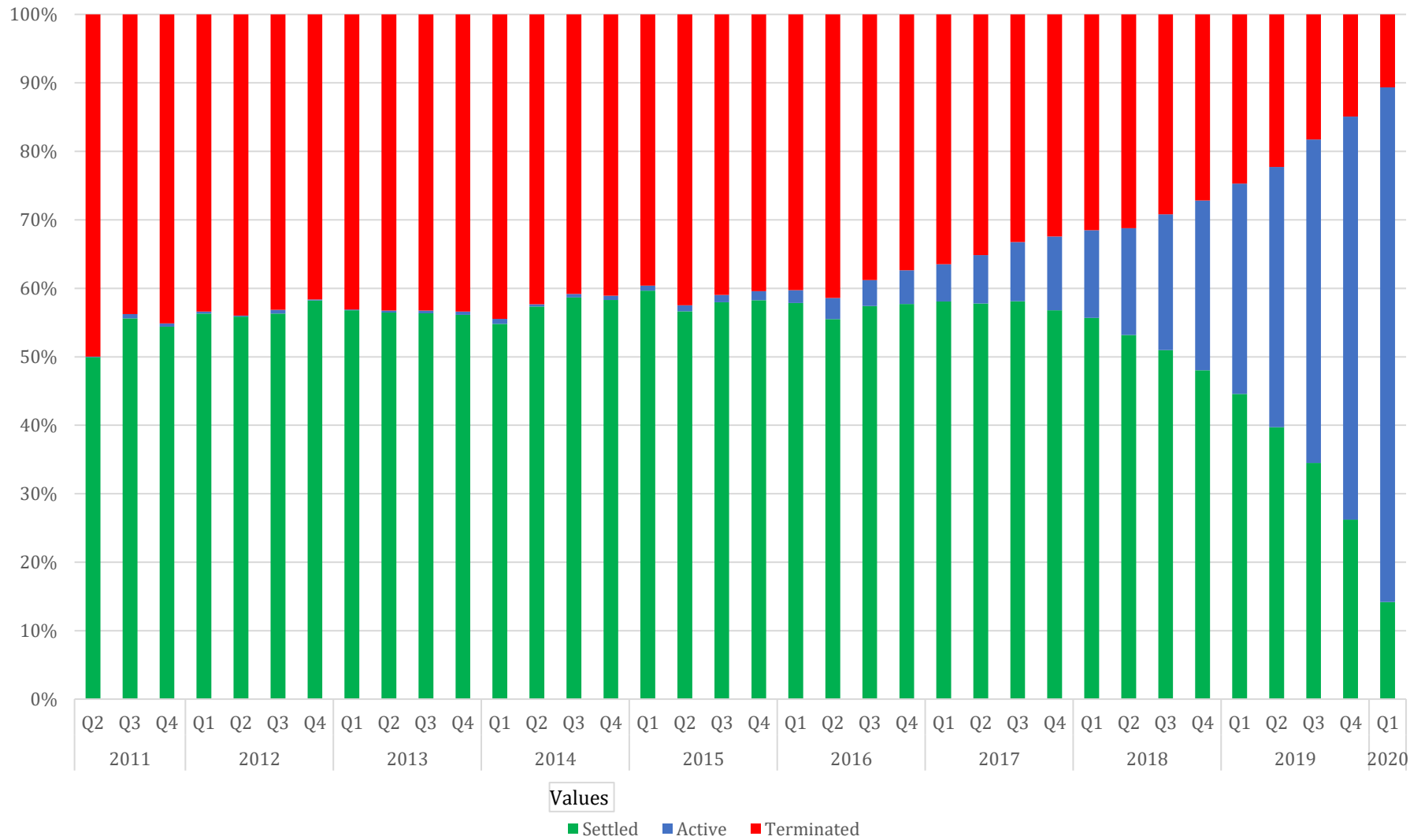
Number of Settled Accounts	800,773	
	<i>Mean</i>	<i>Median</i>
Settlement Amount as a % of Current Balance	49%	50%
Fees as a % of Enrolled Debt	22%	23%

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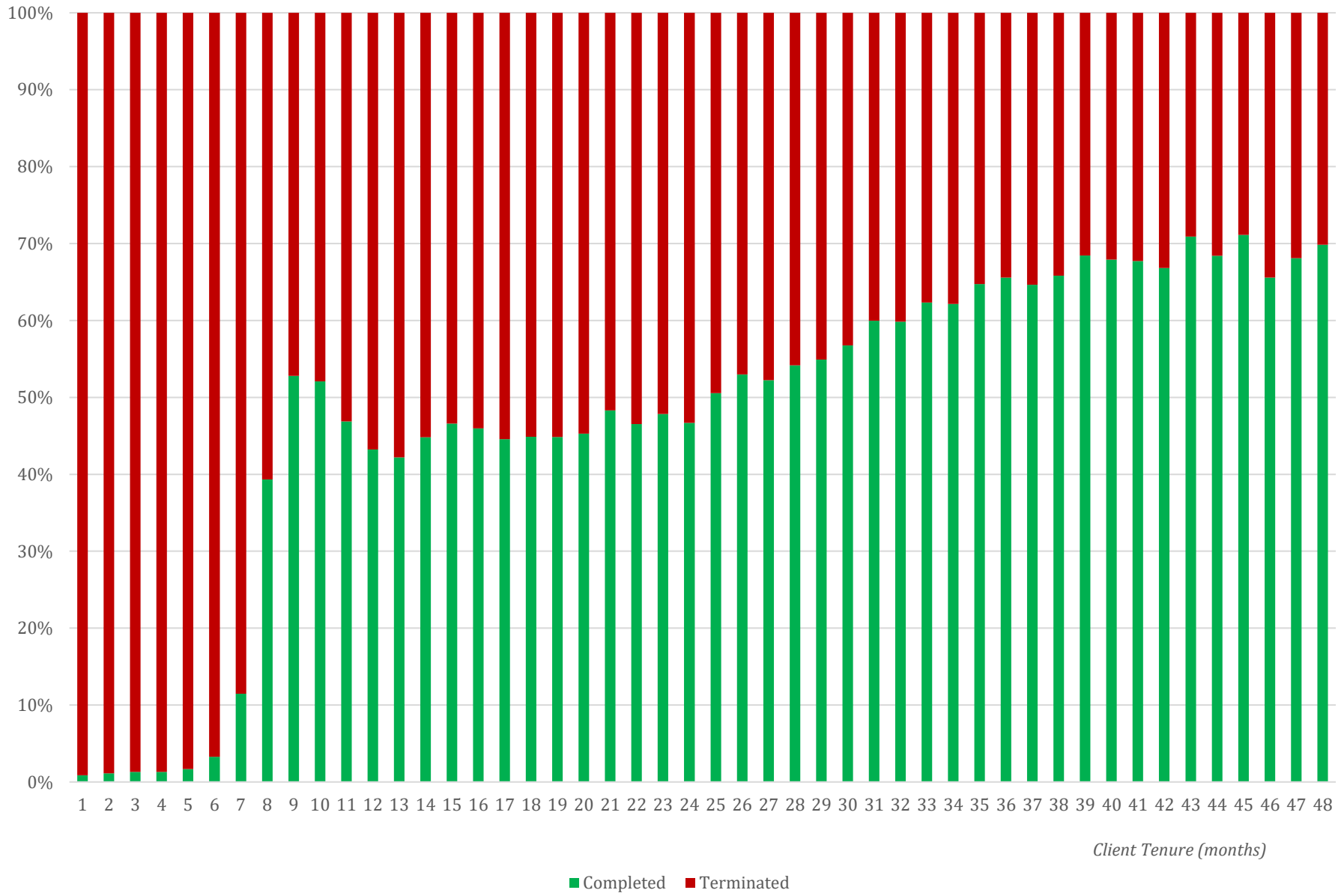
Settled Active Terminated

4.4: Account Status by Vintage Quarter (California)

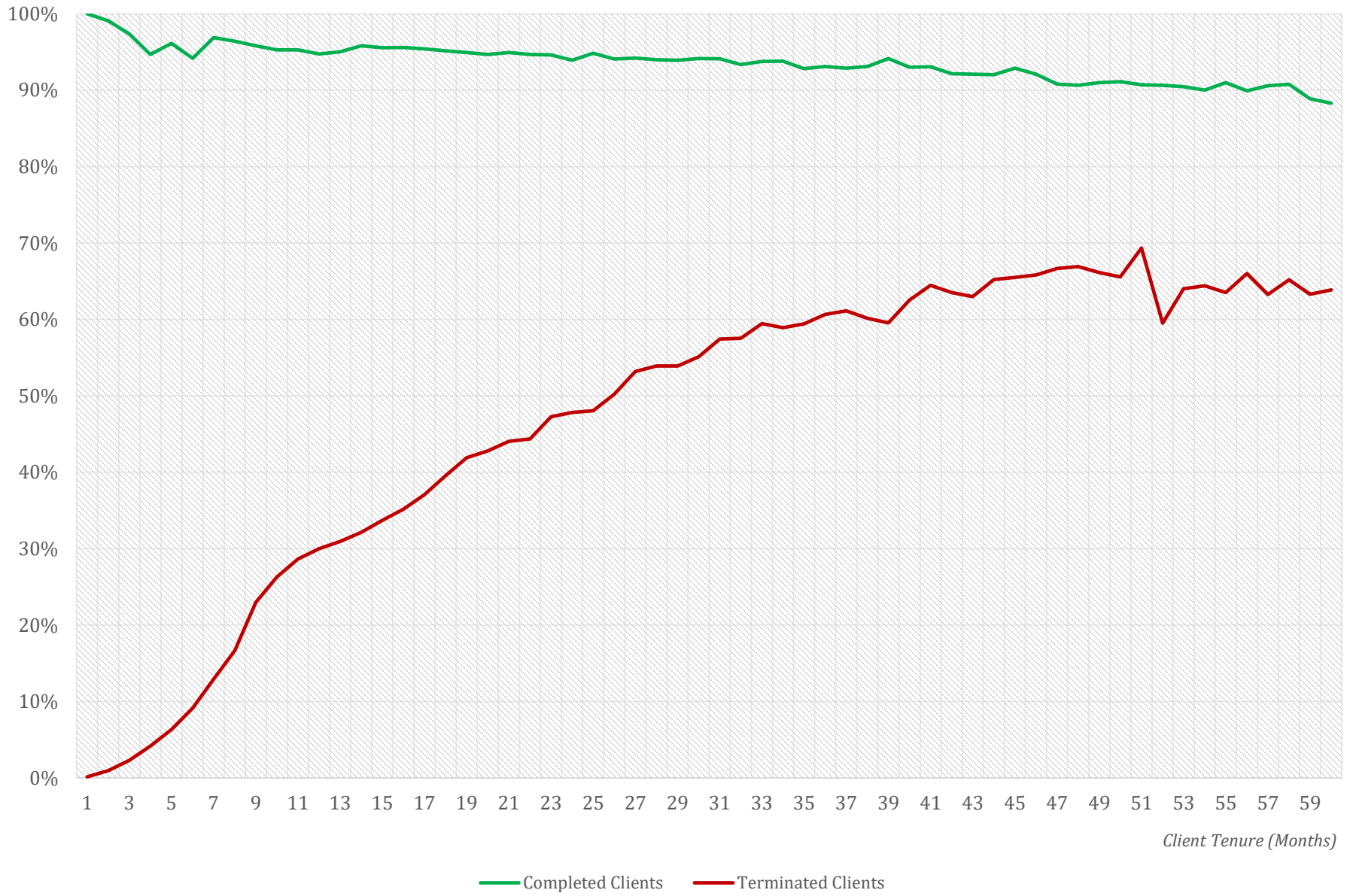


Year Quarter

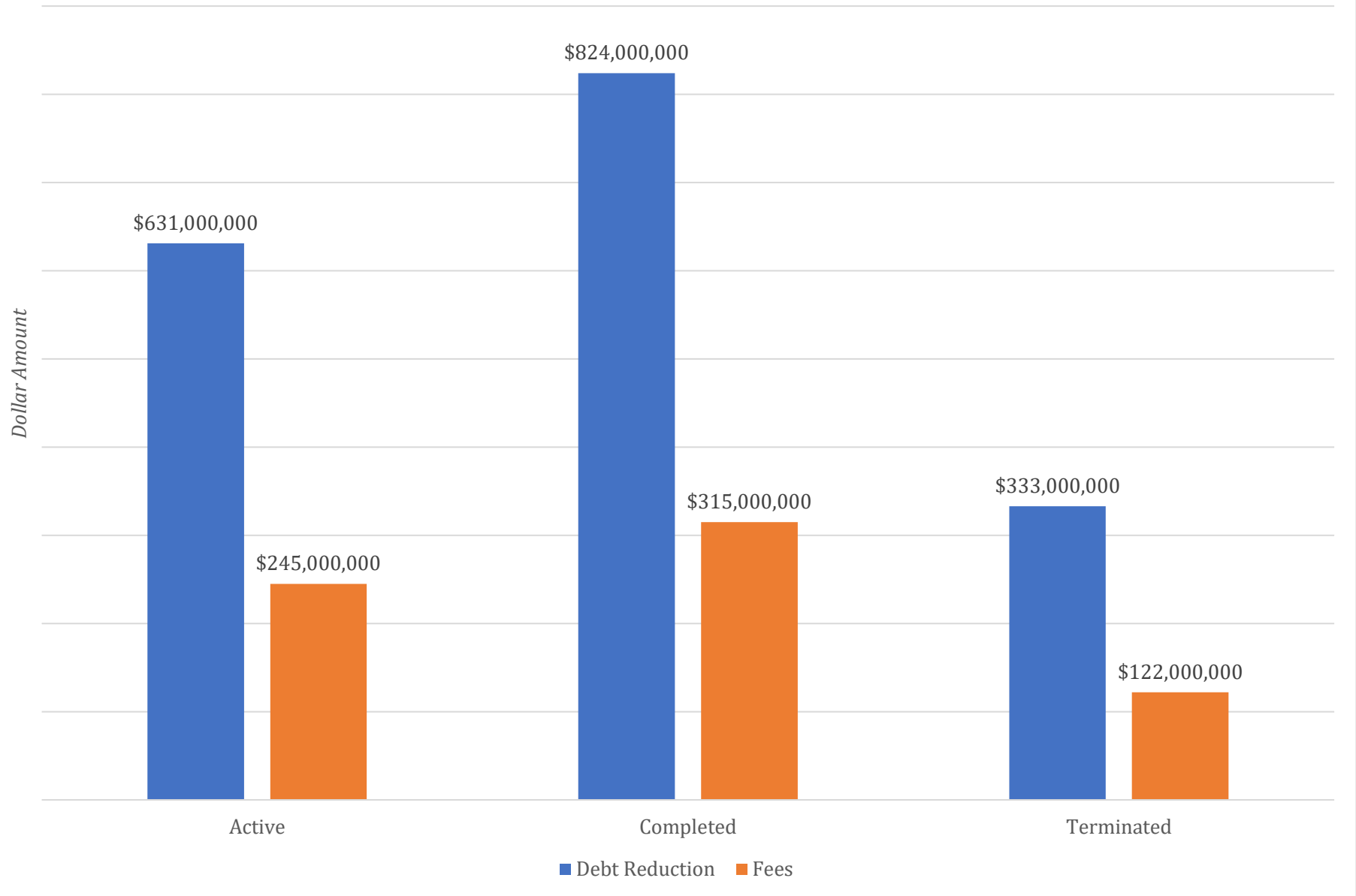
4.7: Program Completion Rates  
All Completed and Terminated Clients (California)



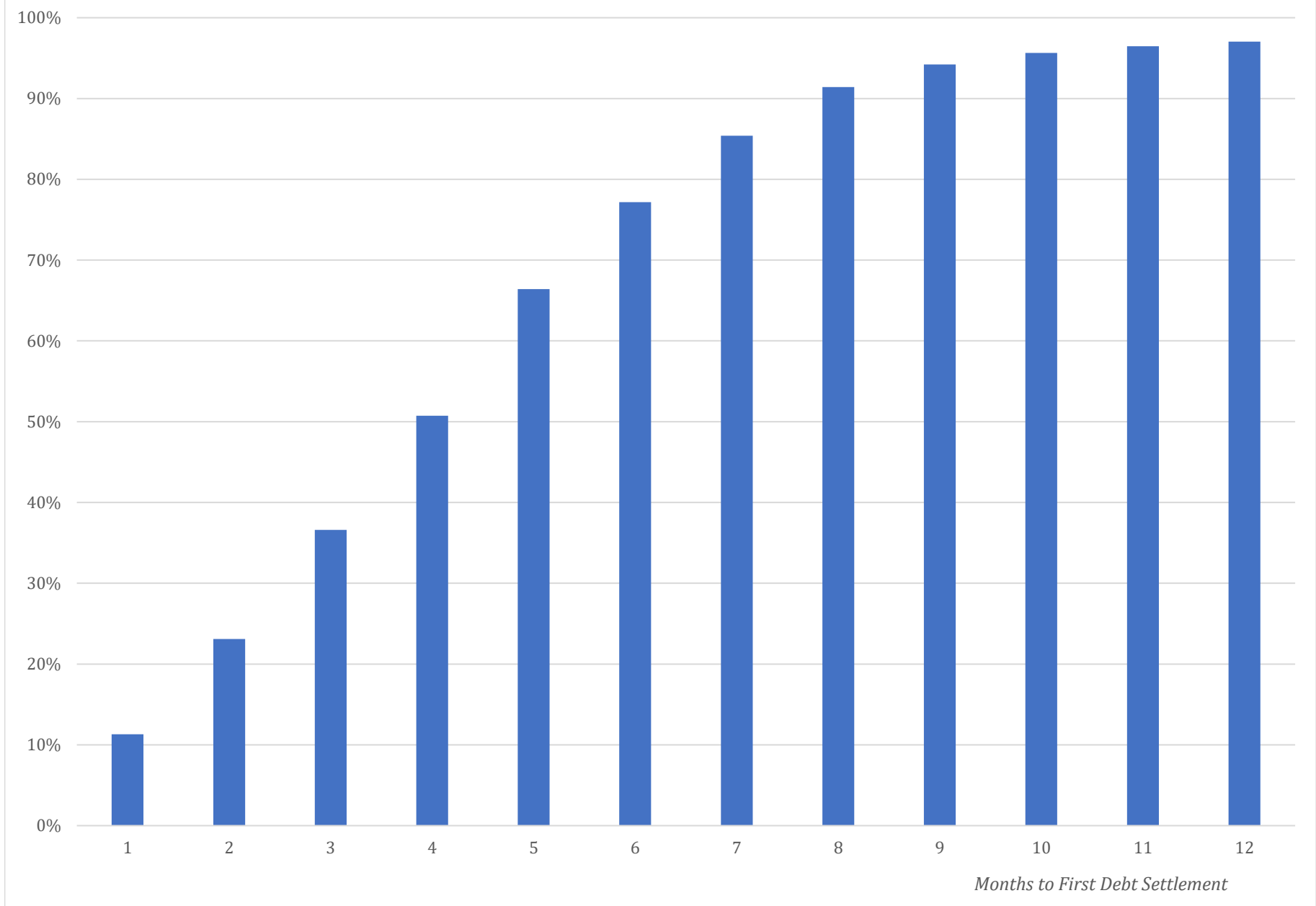
**4.8: Percent of Enrolled Debt Settled**  
*California Clients*



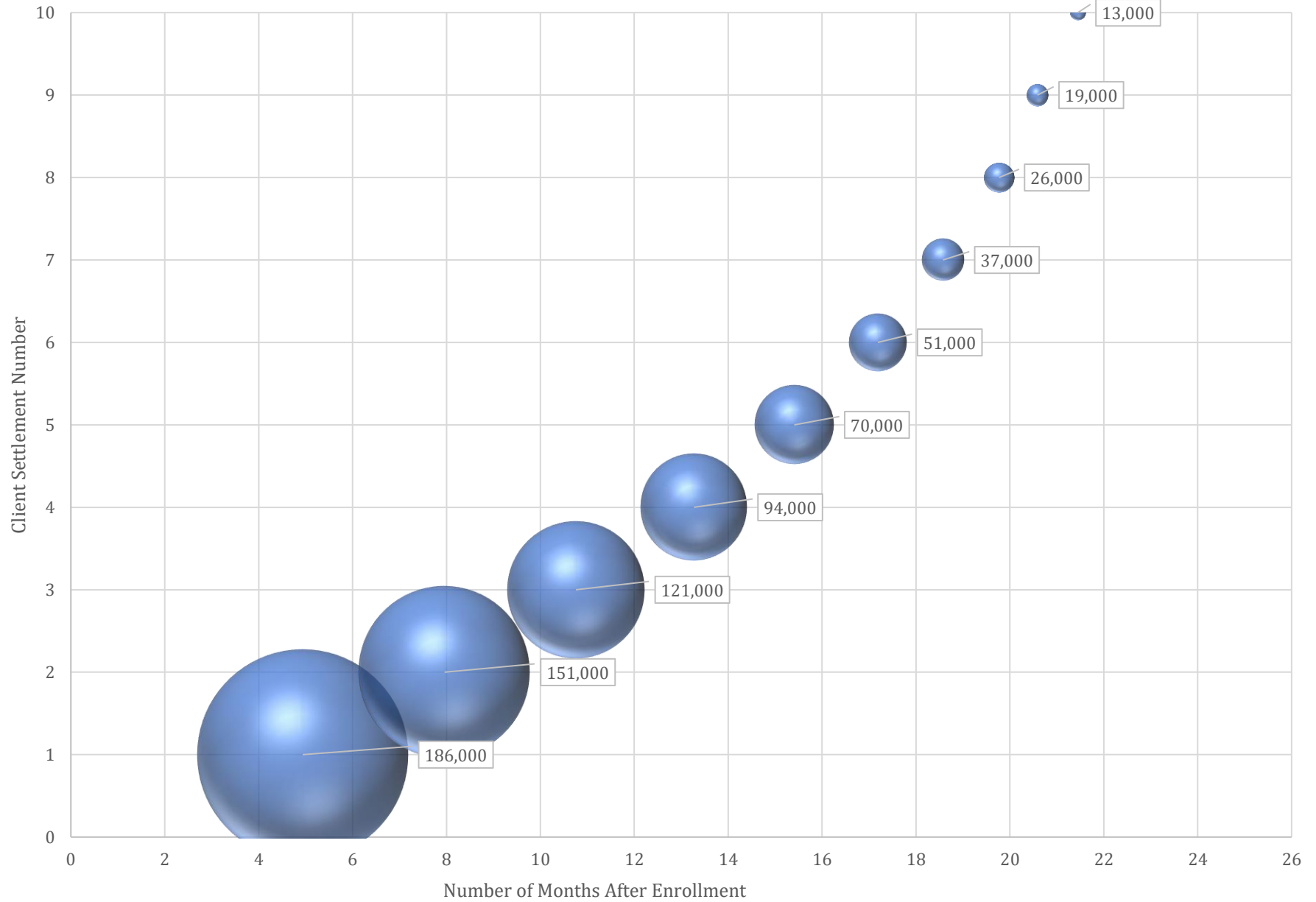
5.1: Debt Reduction and Fees  
*All Client Types (California)*



5.2: Cumulative % of Clients Achieving First Settlement by Month (California)



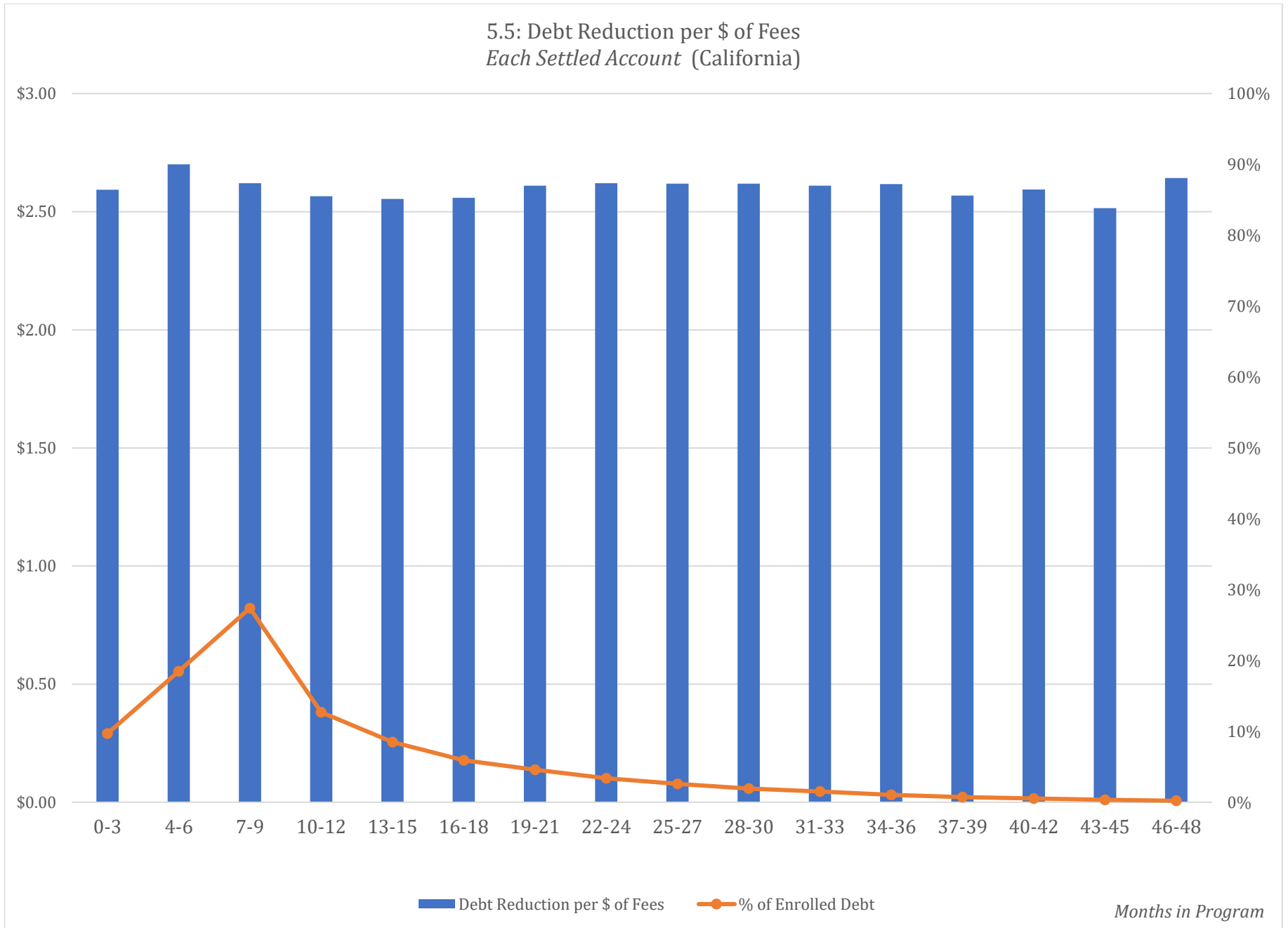
5.3: Average Settlement Accumulation Rate (California)



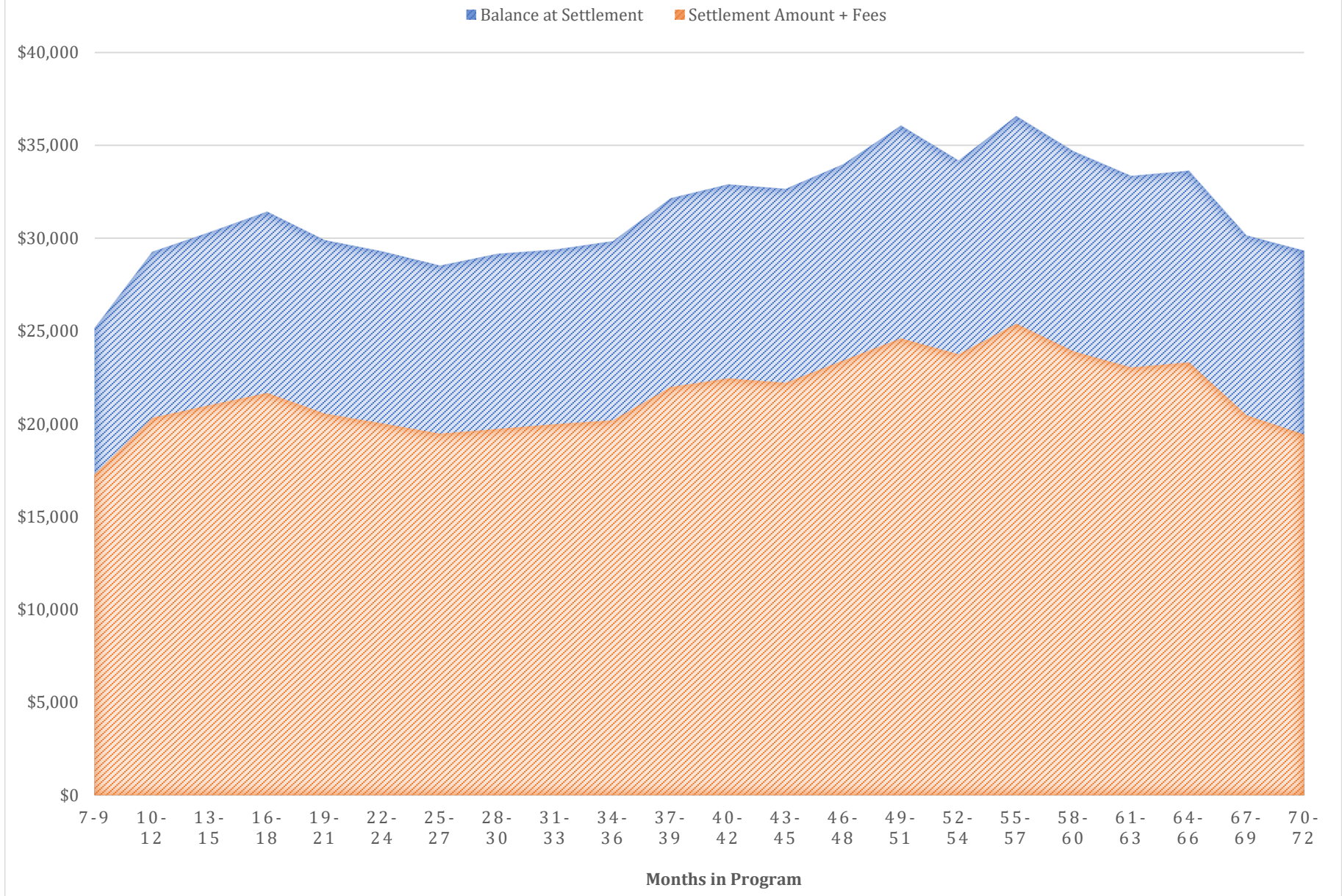


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5.5: Debt Reduction per \$ of Fees  
Each Settled Account (California)



## 5.6: COMPLETED CLIENTS (CALIFORNIA)



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6.1: Total Accretion in Debt Settlement  
Is Demonstrably Less than Continuing Credit Card Payments (California)

