

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:

Chart/Table	Analysis Description	2020 Regan Report Reference
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 after 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:

North Carolina

The accompanying charts represent North Carolina-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	68,042
Enrolled Accounts	466,270
Total Enrolled Debt	\$ 1,844,843,548

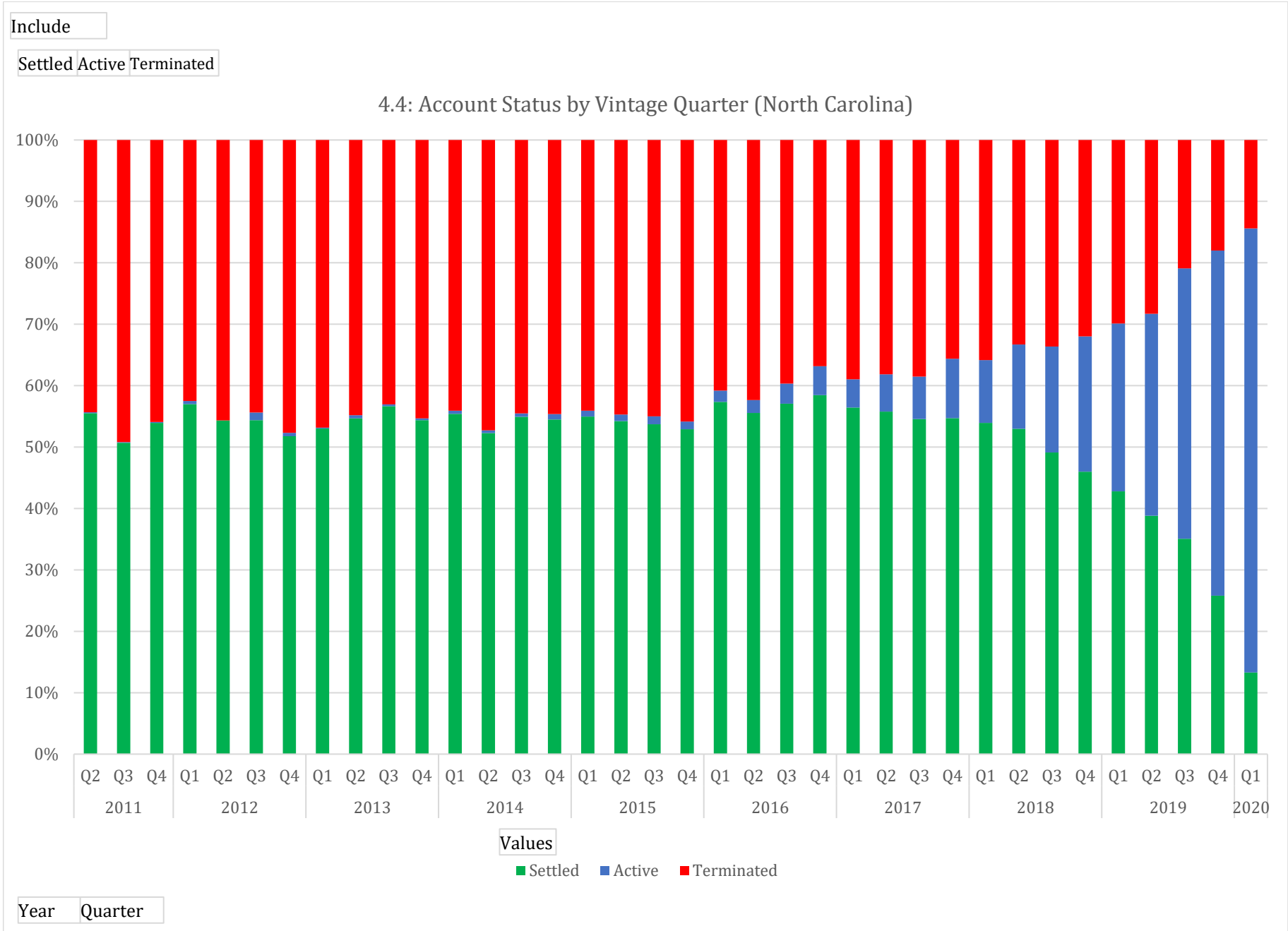
Key Metrics

Number of Active Accounts (% of Total)	88,899	19%
Number of Settled Accounts (\$ of Inactive)	219,457	58%

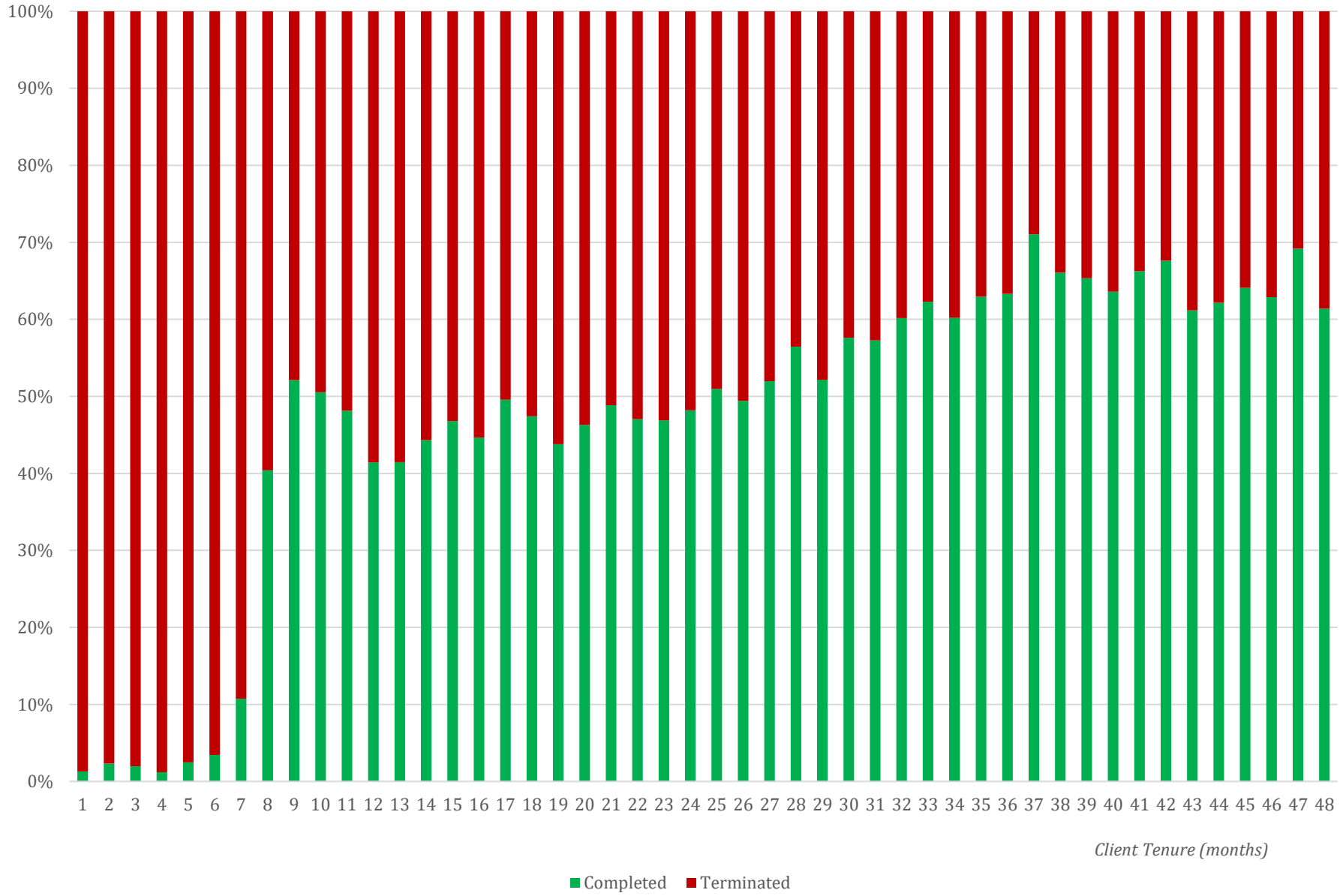
Mean

Settlement Amount as a % of Current Balance	49%
Fees as a % of Enrolled Debt	22%

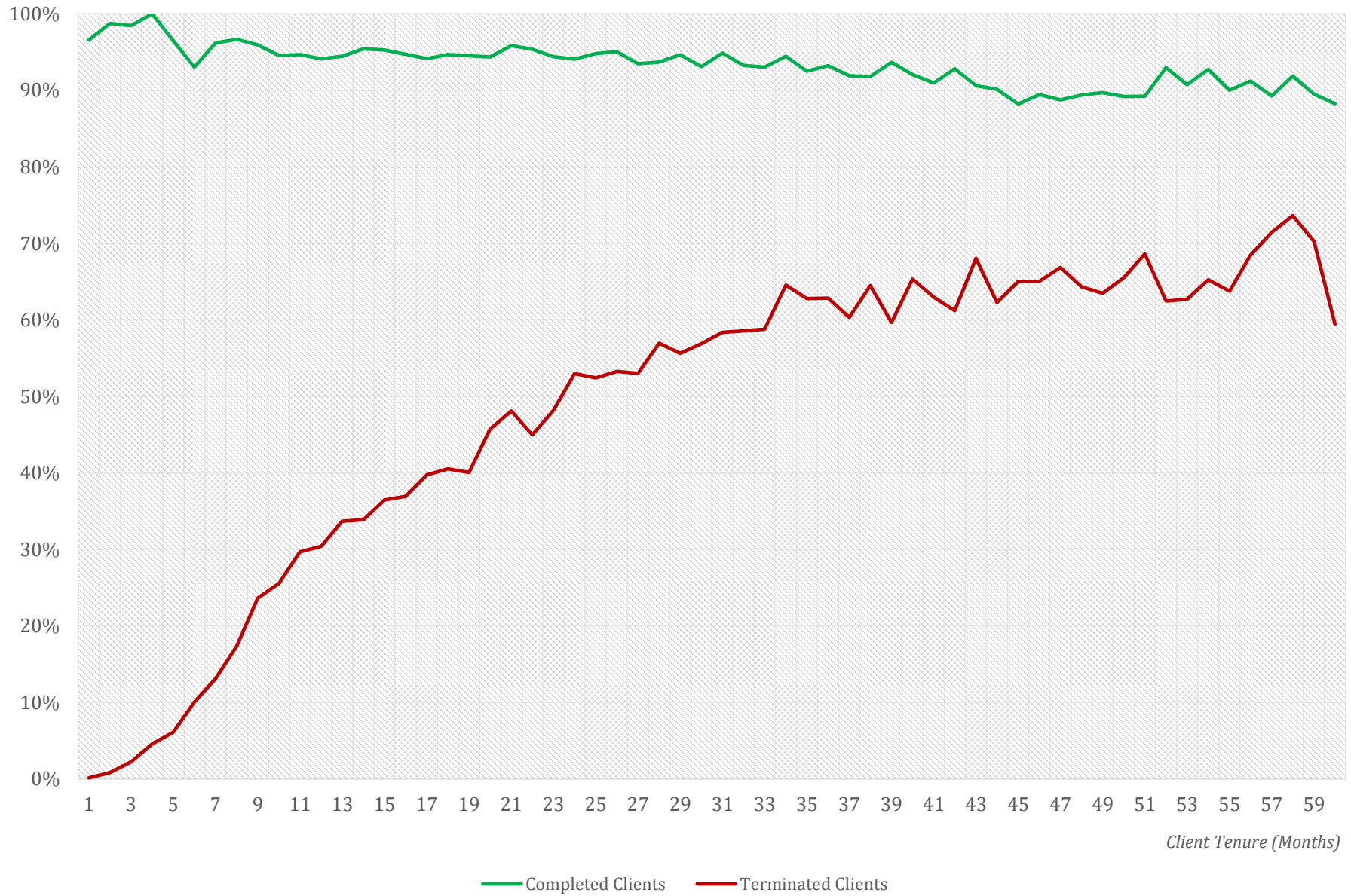
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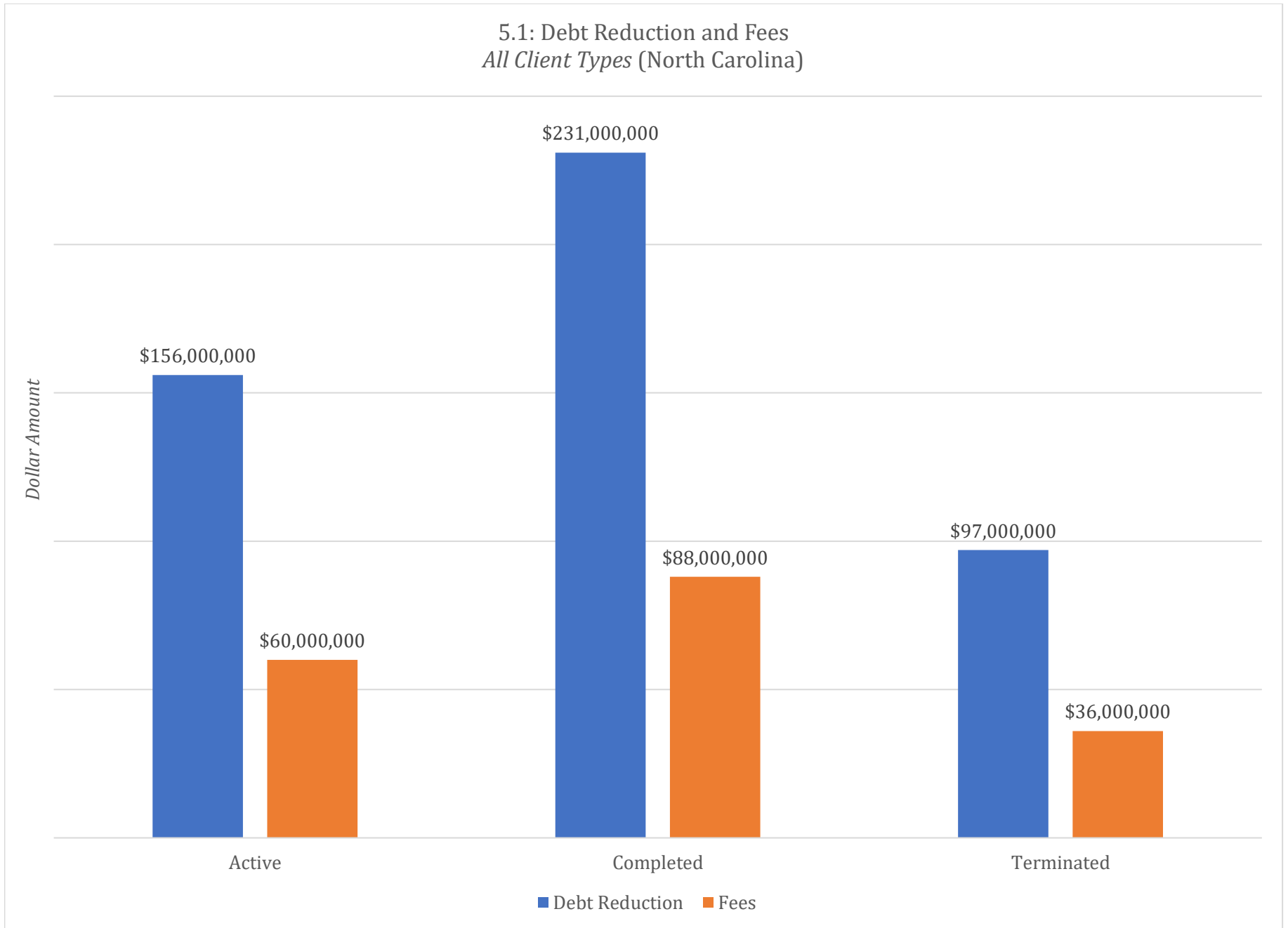
4.7: Program Completion Rates
All Completed and Terminated Clients (North Carolina)



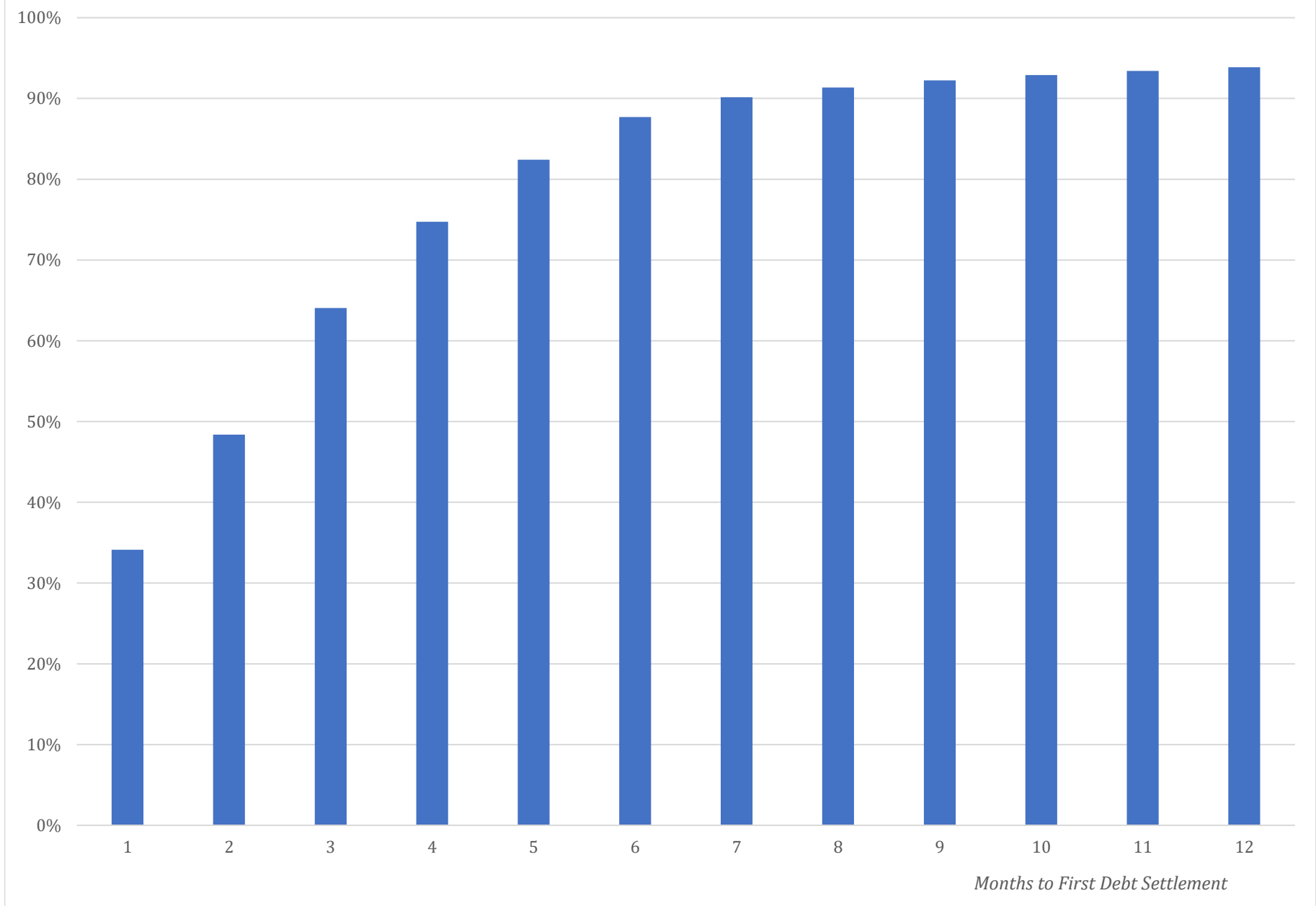
4.8: Percent of Enrolled Debt Settled
North Carolina Clients



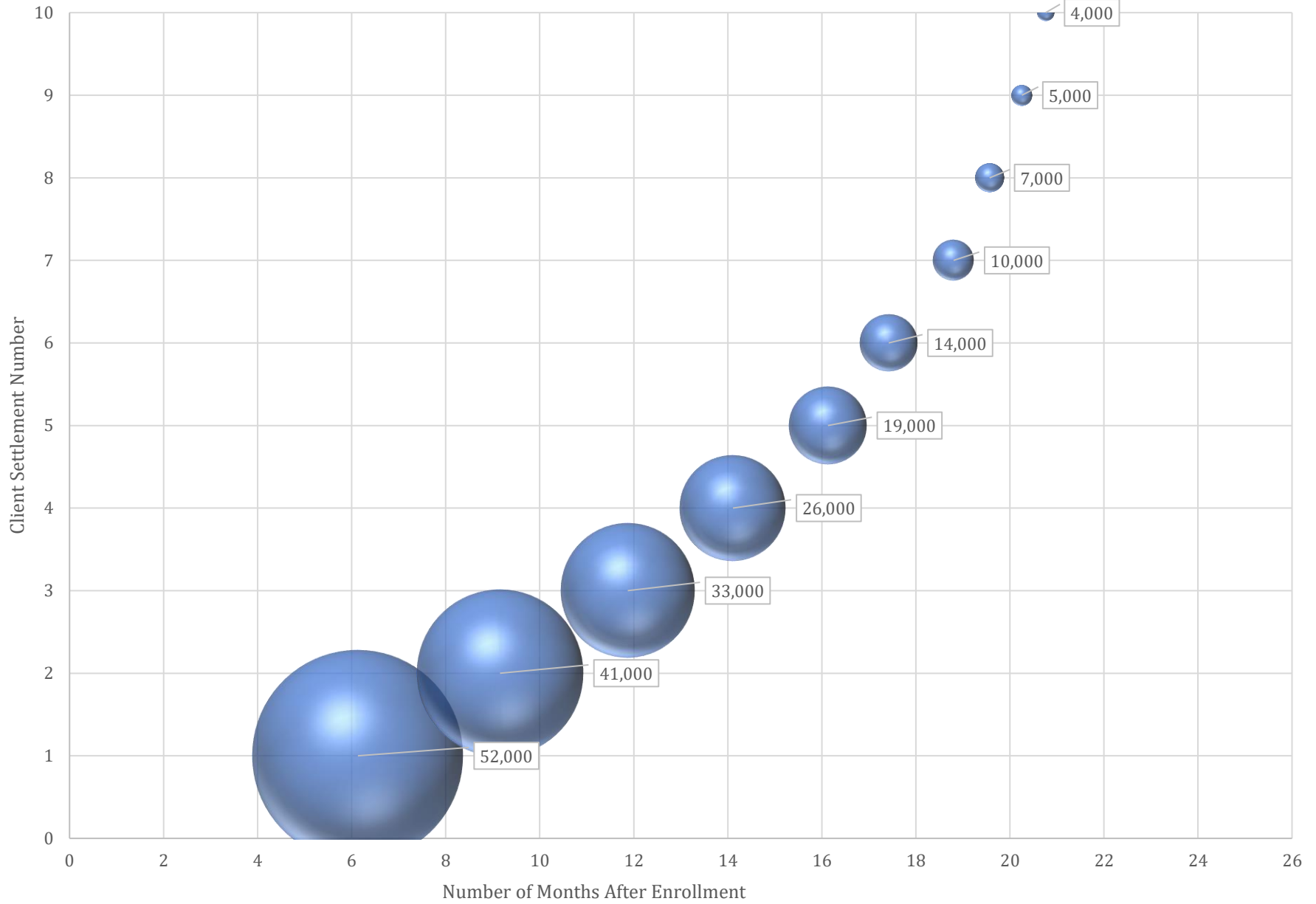
5.1: Debt Reduction and Fees
All Client Types (North Carolina)



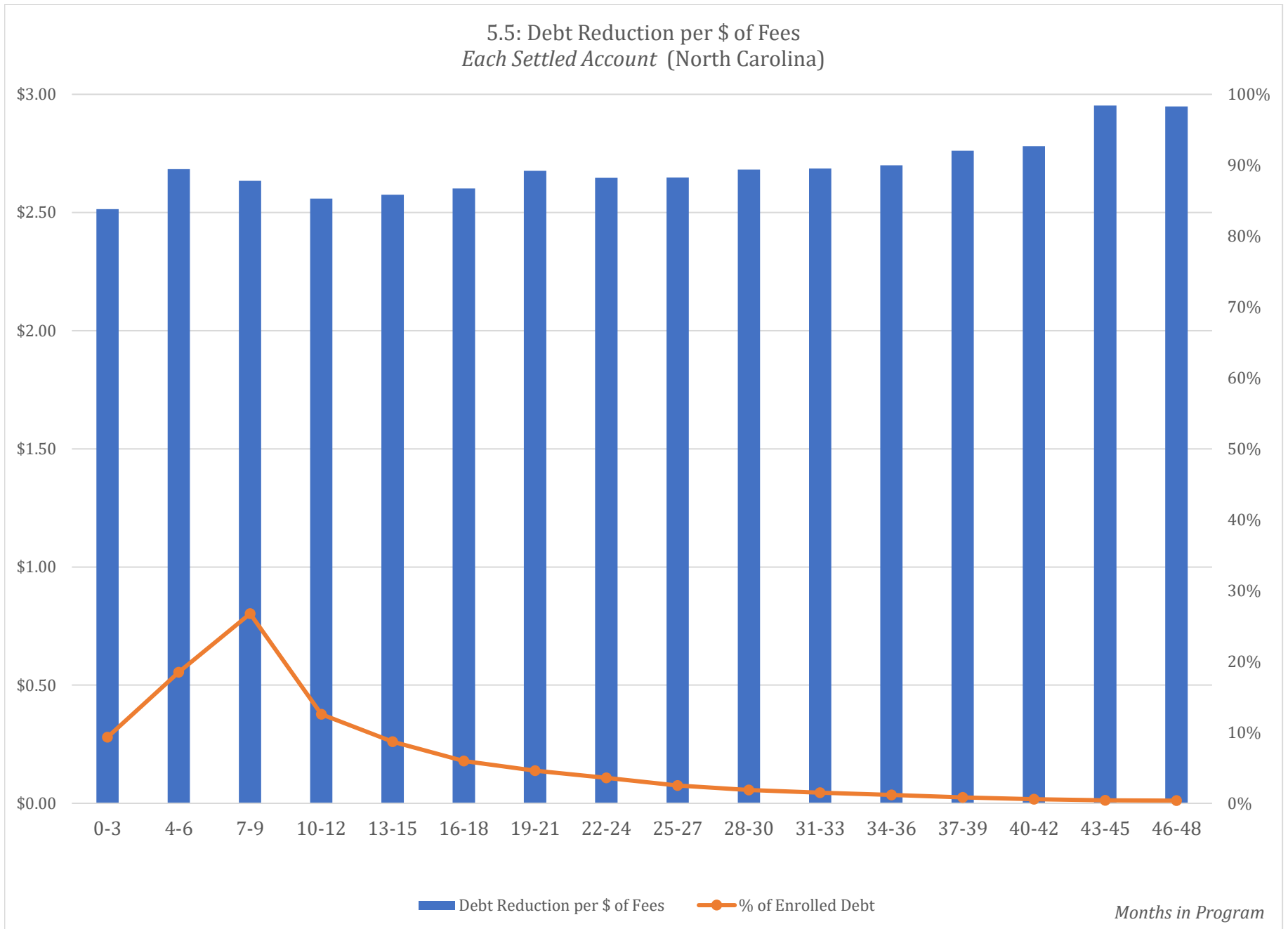
5.2: Cumulative % of Clients Achieving First Settlement by Month (North Carolina)



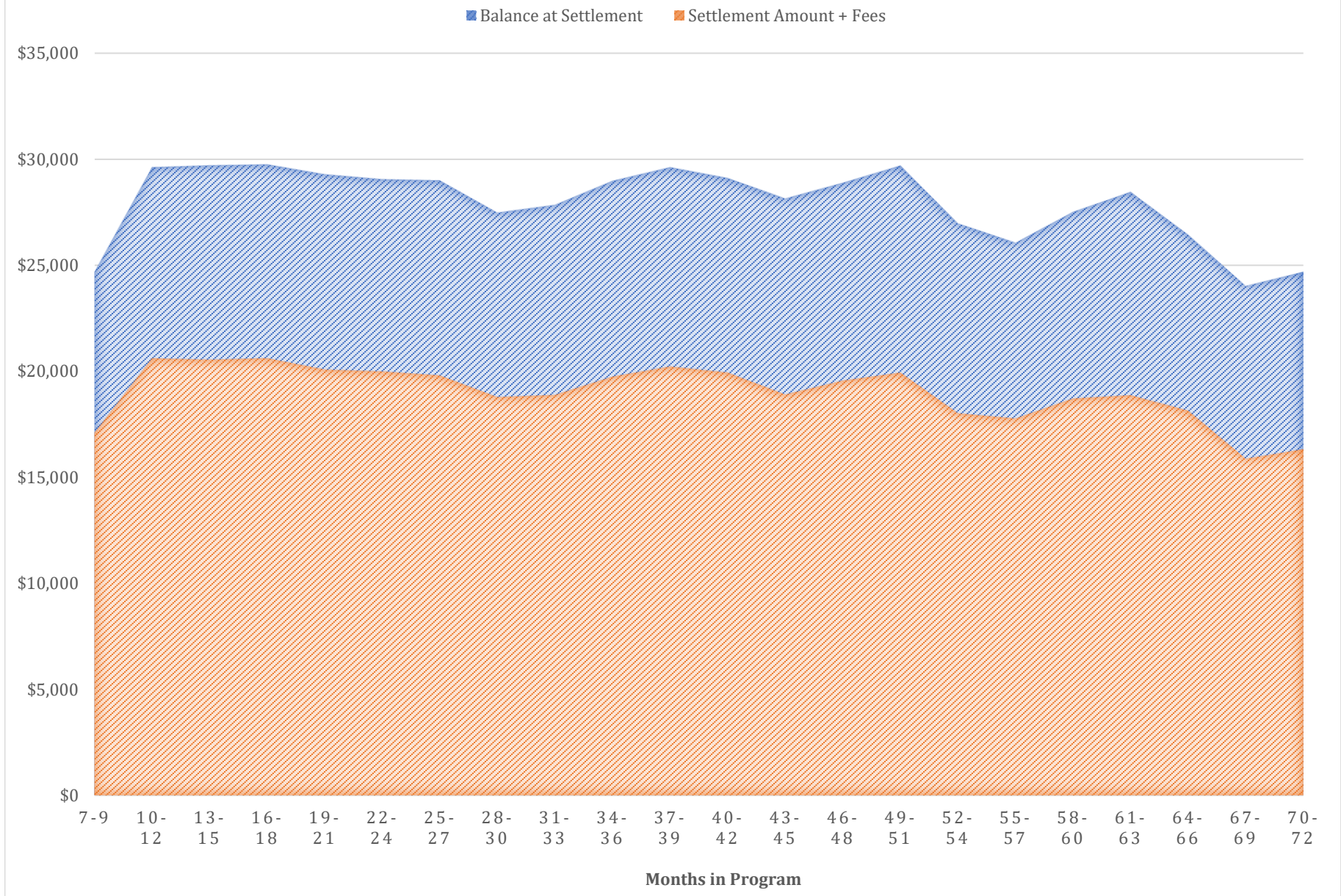
5.3: Average Settlement Accumulation Rate (North Carolina)



CONFIDENTIAL



5.6: COMPLETED CLIENTS (NORTH CAROLINA)



CONFIDENTIAL

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

