

**Analysis of Minimum Payments for Client**

The below compares an actual consumer's payments under a debt settlement plan with what she would have paid without the plan. The below amortization schedules show for each of her four credit cards the total in minimum payments she would have made assuming no other fees and no increases in interest rates. It also shows the amount applied towards interest, the amount applied towards principal and the outstanding balance remaining.

The results of the comparison are detailed below the amortization charts.

**MBNA - based on 15% interest**

	Minimum payment	Interest	Principal	Balance
	\$314.38	\$196.49	\$117.89	\$15,601.11
2	\$312.02	\$195.01	\$117.01	\$15,484.10
3	\$309.68	\$193.55	\$116.13	\$15,367.97
4	\$307.36	\$192.10	\$115.26	\$15,252.71
5	\$305.05	\$190.66	\$114.40	\$15,138.31
6	\$302.77	\$189.23	\$113.54	\$15,024.78
7	\$300.50	\$187.81	\$112.69	\$14,912.09
8	\$298.24	\$186.40	\$111.84	\$14,800.25
9	\$296.00	\$185.00	\$111.00	\$14,689.25
10	\$293.78	\$183.62	\$110.17	\$14,579.08
11	\$291.58	\$182.24	\$109.34	\$14,469.74
12	\$289.39	\$180.87	\$108.52	\$14,361.21
13	\$287.22	\$179.52	\$107.71	\$14,253.50
14	\$285.07	\$178.17	\$106.90	\$14,146.60
15	\$282.93	\$176.83	\$106.10	\$14,040.50
16	\$280.81	\$175.51	\$105.30	\$13,935.20
17	\$278.70	\$174.19	\$104.51	\$13,830.68
18	\$276.61	\$172.88	\$103.73	\$13,726.95
19	\$274.54	\$171.59	\$102.95	\$13,624.00
20	\$272.48	\$170.30	\$102.18	\$13,521.82
21	\$270.44	\$169.02	\$101.41	\$13,420.41
22	\$268.41	\$167.76	\$100.65	\$13,319.76
23	\$266.40	\$166.50	\$99.90	\$13,219.86
24	\$264.40	\$165.25	\$99.15	\$13,120.71
25	\$262.41	\$164.01	\$98.41	\$13,022.30
26	\$260.45	\$162.78	\$97.67	\$12,924.64
27	\$258.49	\$161.56	\$96.93	\$12,827.70
28	\$256.55	\$160.35	\$96.21	\$12,731.49
29	\$254.63	\$159.14	\$95.49	\$12,636.01
30	\$252.72	\$157.95	\$94.77	\$12,541.24
31	\$250.82	\$156.77	\$94.06	\$12,447.18
32	\$248.94	\$155.59	\$93.35	\$12,353.82
33	\$247.08	\$154.42	\$92.65	\$12,261.17
34	\$245.22	\$153.26	\$91.96	\$12,169.21
35	\$243.38	\$152.12	\$91.27	\$12,077.94
36	\$241.56	\$150.97	\$90.58	\$11,987.36
	<b>\$9,951.01</b>	<b>\$6,219.42</b>	<b>\$3,731.63</b>	

**Chase - based on 27% interest**

	\$254.98	\$206.37	\$48.61	\$9,123.39
--	----------	----------	---------	------------



16	\$163.55	\$109.04	\$54.52	\$6,487.57
17	\$162.19	\$108.13	\$54.06	\$6,433.51
18	\$160.84	\$107.23	\$53.61	\$6,379.90
19	\$159.50	\$106.33	\$53.16	\$6,326.74
20	\$158.17	\$105.45	\$52.72	\$6,274.01
21	\$156.85	\$104.57	\$52.28	\$6,221.73
22	\$155.54	\$103.70	\$51.85	\$6,169.89
23	\$154.25	\$102.83	\$51.41	\$6,118.47
24	\$152.96	\$101.98	\$50.99	\$6,067.49
25	\$151.69	\$101.13	\$50.56	\$6,016.93
26	\$150.42	\$100.28	\$50.14	\$5,966.79
27	\$149.17	\$99.45	\$49.72	\$5,917.07
28	\$147.93	\$98.62	\$49.31	\$5,867.76
29	\$146.69	\$97.80	\$48.90	\$5,818.86
30	\$145.47	\$96.98	\$48.49	\$5,770.38
31	\$144.26	\$96.17	\$48.08	\$5,722.29
32	\$143.06	\$95.37	\$47.68	\$5,674.61
33	\$141.87	\$94.58	\$47.29	\$5,627.32
34	\$140.68	\$93.79	\$46.89	\$5,580.43
35	\$139.51	\$93.01	\$46.50	\$5,533.93
36	\$138.35	\$92.23	\$46.11	\$5,487.81
	\$5,787.82	\$3,858.61	\$1,929.17	

Providian - based on 20% interest

1	\$72.58	\$48.38	\$24.19	\$2,878.81
2	\$71.97	\$47.98	\$23.99	\$2,854.82
3	\$71.37	\$47.58	\$23.79	\$2,831.03
4	\$70.78	\$47.18	\$23.59	\$2,807.44
5	\$70.19	\$46.79	\$23.39	\$2,784.05
6	\$69.60	\$46.40	\$23.20	\$2,760.85
7	\$69.02	\$46.02	\$23.01	\$2,737.84
8	\$68.45	\$45.63	\$22.81	\$2,715.03
9	\$67.88	\$45.25	\$22.62	\$2,692.40
10	\$67.31	\$44.87	\$22.44	\$2,669.97
11	\$66.75	\$44.50	\$22.25	\$2,647.72
12	\$66.19	\$44.13	\$22.06	\$2,625.65
13	\$65.64	\$43.76	\$21.88	\$2,603.77
14	\$65.09	\$43.40	\$21.70	\$2,582.08
15	\$64.55	\$43.04	\$21.52	\$2,560.56
16	\$64.01	\$42.68	\$21.34	\$2,539.22
17	\$63.48	\$42.32	\$21.16	\$2,518.06
18	\$62.95	\$41.97	\$20.98	\$2,497.08
19	\$62.43	\$41.62	\$20.81	\$2,476.27
20	\$61.91	\$41.27	\$20.63	\$2,455.64
21	\$61.39	\$40.93	\$20.46	\$2,435.17
22	\$60.88	\$40.59	\$20.29	\$2,414.88
23	\$60.37	\$40.25	\$20.12	\$2,394.76
24	\$59.87	\$39.91	\$19.96	\$2,374.80
25	\$59.37	\$39.58	\$19.79	\$2,355.01
26	\$58.88	\$39.25	\$19.62	\$2,335.39
27	\$58.38	\$38.92	\$19.46	\$2,315.93
28	\$57.90	\$38.60	\$19.30	\$2,296.63

29	\$57.42	\$38.28	\$19.14	\$2,277.49
30	\$56.94	\$37.96	\$18.98	\$2,258.51
31	\$56.46	\$37.64	\$18.82	\$2,239.69
32	\$55.99	\$37.33	\$18.66	\$2,221.03
33	\$55.53	\$37.02	\$18.51	\$2,202.52
34	\$55.06	\$36.71	\$18.35	\$2,184.17
35	\$54.60	\$36.40	\$18.20	\$2,165.97
36	\$54.15	\$36.10	\$18.05	\$2,147.92

\$2,265.34                      \$1,510.24                      \$755.07

	Minimum payments made over 3 years	Interest paid	Principal paid	Balance still owed after 3 years of min payments
<b><u>Total credit card cost after 3 years</u></b>	\$26,381.12	\$18,368.17	\$8,012.93	\$27,198.05

**Analysis of cost of debt sett program**

Debt Sett Co Fees	\$5,243.77	assuming 15% flat fee of principal amount of debt		
Settlements/Offer:				
Providian	\$1,200.00			
Lowe's	\$4,178.00			
Chase*	\$4,808.70			
MBNA*	\$11,000.00			
	\$21,186.70			
 Total w/fees	 \$26,430.47	 assuming client accepts all settlement offers obtained		

\* settlements not accepted by client

Balance of Debt on 2  
settlements not  
accepted                      \$28,000.00

Savings accumulated by  
consumer but not used  
on settlements                      \$10,000.00 +