



Association for  
Consumer  
Debt Relief

**DEBT RESOLUTION PROVIDER  
DISCLOSURE STATEMENT**

*We are providing you the following disclosure statement, so you have a clear understanding of the benefits and risks of debt resolution.*

- Debt resolution is the negotiation of settlements of unsecured debts. Debt resolution is not a loan, is not credit counseling, and is not a credit repair program. We will not fix or address existing errors or inaccuracies on your credit report. We cannot guarantee that your creditors will agree to resolve your debts, resolve your debts for a specific amount, or resolve your debts within a certain time.
- Debt resolution is suitable only for persons who are in financial distress and unable to pay or continue to pay their minimum monthly payments without hardship. Each consumer's circumstances and results are unique, and not all consumers complete their debt resolution program.
- Since many creditors will not consider an offer to resolve your debt unless a debt is past due or charged off, our ability to negotiate settlements depends on the delinquency status of your debt. You should not charge, draw, or take advances on your enrolled debts.
- The use of a debt resolution program will adversely affect your creditworthiness, as creditors report the status of your enrolled debts to credit bureaus.
- Your creditors may subject you to collections or lawsuits, charge you fees, assess penalties, and raise your rates for not making payments on your enrolled debts. If you are sued by a creditor, you should consult a lawyer.
- The debt resolution program requires your active engagement and responsiveness. Your success depends on your ability to make regular deposits into an FDIC-insured dedicated account administered by a payment processor. If you cannot make these deposits, you should consider alternatives to address your financial hardship, including bankruptcy.
- You own and control the dedicated account. Only you can authorize a payment, transfer, or withdrawal from this account. Funds in this account will not be used to make minimum, periodic, or other payments on your debts. Funds in this account will only be used to pay settlements to your creditors, fees to the payment processor, and fees to us for debt resolution services provided.
- We will not earn and will not be paid our fee for settling a debt until we obtain a settlement agreement from a creditor, you approve that agreement, and a payment is made on that settlement.
- You may withdraw from the debt resolution program at any time without penalty. If you withdraw, you are entitled to funds remaining in the dedicated account, less any fees earned by us or the payment processor that have not yet been paid. If you withdraw from the program, prior installment settlement agreements and unresolved debts may be negatively impacted, and you may owe the full balance on any of those debts plus accumulated interest, fees and any deferred or unpaid earned fees for debt resolution services provided.

- Your creditors may report settlement savings of \$600 or more to the IRS. We do not provide tax advice. You should consult a tax advisor to determine whether to report these savings as taxable income.

*By signing this Disclosure Statement, you acknowledge that you have read this Disclosure Statement and understand the potential consequences of enrolling in a debt resolution program, including but not limited to the potential consequences of failing to make payments on your debts and the impact to your creditworthiness.*

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*Client signature*

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*Date*