

# DEBT REPAYMENT BUSINESS MODELS AND FEES

Debt repayment agents can charge different amounts depending on the business model they are following. To understand how much certain plans may cost you please use the following visual.

## Model 1

### As the debtor:

- I will not know the total amount required to settle my debts
- I will be responsible for saving enough money to make a one time payment on my debts
- I will be responsible for making a one time fee to by creditors

### The debt repayment agent will:

- Negotiate the amount owing to my creditors once I have save enough money

Fees

Maximum Fees: 10% of the gross amount received by the debt repayment agent for distribution to the creditor

Fees are paid after an agreement is made with the creditor

## Model 2

### As the debtor:

- I know the total amount required to settle my debts
- I will be making monthly payments to the debt repayment agent

### The debt repayment agent will:

- Work out a payment schedule with my creditors
- Make monthly payments to my creditors until the debt is repaid

fees

Maximum Fees: 10% of the gross amount received by the debt repayment agent for distribution to the creditor

Fees are paid after an agreement is made with the creditor

## Model 3

### As the debtor:

- I know the total amount required to settle my debts
- I will be making regular payments to the debt repayment agent

### The debt repayment agent will:

- Work out a payment schedule with my creditors
- Make payments to my creditors over a period of less than 90 days

Fees

Maximum Fees: 15% of the gross amount received by the debt repayment agent for distribution to the creditors and a one time fee of no more than the average monthly payment to the creditor

Fees are paid after an agreement is made with the creditor