

## Disclosure Affidavit

### ➤ **Funding Sources**

Funding sources received by Novadebt for the provision of its services are through the following:

- Monthly service fees and a one time enrollment fee from clients currently or previously enrolled in our Debt Management Program. These funds are used to help defray administrative costs of the DMP and are not fees for counseling.
- Fair Share Contributions received from creditors as dictated by their guidelines.
- Grant funding for financial education and program services
- HUD funding and lender funding for the provision of housing counseling.

Novadebt does not pay or receive compensation or other consideration for the referral of debtors to or by Novadebt.

### ➤ **Counselor Qualifications**

All of Novadebt's counselors must meet certification requirements, as set forth by the AICCCA Code of Practice. Counselors are required to take a course administered through a third party, the Center for Financial Certifications (CFC). Once the counselor passes the exam, they have fulfilled the standard requirement and the CFC certifies the counselor as a Certified Personal Finance Counselor. In order to maintain the Certified Personal Finance Counselor status, the counselor is required to uphold the CFC Code of Ethics and earn up to 20 hours of continuing education units (CEUs) every two years.

### ➤ **Credit Report Impact**

- **Budget and credit counseling services** do not pose a negative impact on a consumer's credit score.
- If the consumer enrolls in a **Debt Management Program**, a notation may appear on the report that the consumer is making payments through a 3<sup>rd</sup> party. That notation is noted at the discretion of the lender. A consumer's score is not negatively affected by enrolling in a Debt Management Program.
- **Bankruptcy** does negatively impact a consumer's credit report. The bankruptcy notation will remain on the report for a period of up to 10 years.

### ➤ **Cost of Services**

The cost of counseling services provided by Novadebt to individuals is not to exceed fifty dollars (\$50.00). Payment may be made by phone, check or money order. No individual will be refused counseling if they demonstrate the inability to pay, due to income level and/or hardship situation. Services will include the development of a plan without incurring negative amortization of debt.

It is Novadebt's obligation to provide a certificate of counseling completion in a prompt manner. Client will receive a certificate only if client completes counseling. Clients have the right to negotiate an alternative payment schedule with regard to each unsecured consumer debt.

### ➤ **Privacy Disclosure**

Novadebt does not disclose any nonpublic personal information about our customers except as permitted by law. Novadebt does not disclose information to credit reporting agencies that a customer has sought credit-counseling instruction. Novadebt may disclose client information to the United States Trustee. The United States Trustee has reviewed Novadebt's counseling services, yet has neither reviewed nor approved any other services.

Client's Signature Acknowledging Receipt:

Dated:

\_\_\_\_\_

\_\_\_\_\_