

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY AND OUTLOOK.....	4	8. FRAUD	32
2. DATA SOURCES AND METHODOLOGY	5	8.1 FRAUD TRENDS IN NON-PRIME	32
2.1 INTRODUCTION	5	9. LOSS MANAGEMENT	33
2.2 METHODOLOGY	5	9.1 DELINQUENCY AT END OF YEAR	33
2.3 SURVEY PARTICIPANTS	6	9.2 COLLECTION STRATEGIES	34
3. MARKET ENVIRON. AND DEVELOPMENT.....	7	9.3 AUTO-DIALER USAGE	35
3.1 COMPETITIVE ENVIRONMENT	7	9.4 ACCOUNTS IN PORTFOLIO PER FTE	35
3.2 MARKET SHARE DEVELOPMENT AND TRENDS	7	9.5 NET CHARGE-OFF RATE	36
3.3 PORTFOLIO SIZE DEVELOPMENT	9	9.6 REPOSESSION RATE	37
3.4 YEAR OVER YEAR METRICS COMPARISON	11	9.7 RECOVERY RATE	38
4. GEO. COVERAGE AND DEALER RELATIONS	12	10. ANNUAL DEPRECIATION	39
4.1 GEOGRAPHICAL COVERAGE	12	10.1 TRENDS IN RESIDUAL VALUES	39
4.2 DEALERSHIP STRUCTURE	12	11. COMPENSATION LEVELS.....	42
4.3 DEALER-ORIGINATED BUSINESS	13	11.1 COST OF SALARIES AND BENEFITS OVERALL	42
4.4 DEALER REVIEWS	14	11.2 COMPENSATION FOR MARKETING REPS	42
4.5 SALES ORGANIZATION	15	11.3 COMPENSATION LEVELS FOR LOAN OFFICERS	43
5. NON-PRIME CHARACTERISTICS.....	16	11.4 COMPENSATION LEVELS FOR FAUDITORS	43
5.1 EMPLOYMENT SECTORS	16	11.5 COMPENSATION LEVELS FOR COLLECTORS	44
5.2 MOBILE NUMBERS	16	12. INFORMATION TECH. SYSTEMS	45
5.3 HOME ADDRESSSES	17	12.1 SALES AND CRM	45
5.4 BANK ACCOUNTS – EMAIL ACCOUNTS	18	12.2 ORIGINATION	45
5.5 SHORT-TERM LOAN PERFORMANCE AND ACH	19	12.3 SERVICING	46
6. ORIGINATION	21	12.4 LOSS MANAGEMENT	46
6.1 CREDIT SCORE	21	12.5 ELECTRONIC DOUCMENTATION	46
6.2 PAYMENT-TO-INCOME (PTI) RATIO	21	12.6 PAPERLESS PROCESSING AT ORIGINATION	46
6.3 AVERAGE MONTHLY PAYMENT	21	13. FINANCIAL METRICS	47
6.4 AVERAGE AMOUNT FINANCED	22	13.1 RETURN ON AVERAGE ASSETS	47
6.5 ORIGINATION BY TERM	22	13.2 RETURN ON AVERAGE EQUITY	47
6.6 AVERAGE LOAN RATE	23	13.3 FINANCE CHARGE INCOME	48
6.7 NET DISCOUNT CHANGED TO THE DEALER	23	13.4 COST OF FUNDS	48
6.8 BOOK-TO-LOOK	24	13.5 OPERATING EXPENSE	48
6.9 AUTOMATED CREDIT DECISIONS	24	13.6 LOAN LOSS ALLOWANCE	49
6.10 TURNAROUND TIMES	25	13.7 FIXED RATE OUTSTANDING DEBT	50
6.11 PROCESSING COST	26	14. DISCLAIMERS.....	50
6.12 ORIGINATION EFFICIENCIES	26	15. ABOUT.....	51
6.13 ORIGINATION TRENDS	27	ABOUT NAF	51
7. PORTFOLIO ADMINISTRATION.....	28	ABOUT AFSA	51
7.1 ACTUAL CONTRACT DURATION	28	ABOUT FICO (NYSE: FICO)	52
7.2 CONTRACT EXTENSIONS	29	ABOUT TRANSUNION (NYSE: TRU)	52
7.3 PAYMENT RECIEPTS: METHOD AND CHANNELS	29	ABOUT FACTORTRUST	52
7.4 SERVICING COMMUNICATION	30	ABOUT IHS MARKIT	53
7.5 COLLATERAL PROTECTION	31	ABOUT BLACK BOOK	53