

PROTOCOL FOR CANCELLATIONS

Branch Cancellation Procedures:

As all the branches are aware, we have seen a title wave of cancellation over the last couple months. Some of this was caused by the creditors stating that debt settlement companies are frauds. Some of this was caused by all the negative national news stories; lastly some of it was caused by us. In addition the Attorney Investigation contributed to this cancellation number. In October 2009 we were retaining 10% of all cases. On average we have a success rate today of 52%, last week our retention department was able to save 71% of all cases. FBL Associates has developed a professional expert retention department. Each of our retention officers have experience with other companies in this same line of work and are paid accordingly by FBL.

The Question Is Where We Go From Here:

1. If a client contacts a branch to cancel, please do the following:
 - A. Notify via email the Retention Department of the clients request to lkrawczyk@fblassociates.com and please include customer name, Id # and reason for cancelling
 - B. If the customer Services Department receives a request for cancellation:
 1. The Retention Department will notify the branch via email allotting for the 72 hour "save" period before Retention continues it process.
 - C. If you fail to save the deal then:
 1. Inform the client that the department which handles this will contact them in 48 hours
 2. Do not refer to us as either "Cancellation or Retention" department. Just advise the client that their issue will be forwarded to the appropriate department

Retention Department Cancellations:

Retention will only receive a cancellation from either Noteworld or Customer service. On occasions the client will contact Noteworld directly. We have no control over this. If the client calls Noteworld directly they will close out their account immediately and send their reserves back. **WE WISH TO MAKE IT CLEAR FBL DOES NOT GET NOTIFIED OF THE CANCELLATION UNTIL AFTER THE FUNDS HAVE BEEN DISBURSED.** Therefore no party has control of Noteworld cancellation. In summary there is no way to advised you of a Noteworld cancellation in advance which eliminates the chance to save a deal. In all other cases the policy will be;

- D. A retention officer will attempt the "save" the client. Retention will contact the client within 48 hours of the call.
- E. If the customer does not want to stay in the program we will attempt to negotiate with the customer to retain as much of the 15% fees as possible.
- F. If the customer refuses, then we will collect the \$399 Cancellation Fee.

It is important for the future of our industry that we create a refund procedure where a client who cancels receives their money within 8-10 days

FEE STRUCTURE:

Due to the time and expense required by FBL Associates to maintain this department the following fee structure will be implemented on January 04, 2010.

- A. Deals that are "saved" there will be **NO CHARGE. WE SUGGEST**, that you consider waiving your 72 hours window and allow our retention department to begin work immediately since we are in the best position to get the best results.
- B. Where a \$399.00 Cancellation Fee is collected there will be split between the branch and FBL 50/50.
- C. Where the retention department negotiated a fee from \$399 up 15% FBL will keep an administrative cost of 25%.