

GOLD STAR RECOVERY MEMBERSHIP AGREEMENT FOR CONTINGENCY FEE COLLECTION PHASE I & II

We hereby subscribe to the services of the Gold Star Recovery Membership Program and its collections departments services. (Hereinafter referred to as GSR) for the collection of delinquent accounts receivables. Creditor guarantees that all claims placed for collection shall be just, correct, due and free from encumbrances GSR, within (3) days of receipt of designated accounts, shall either accept or reject such accounts, as GSR shall determine. Rejected accounts shall forthwith be returned to Creditor. GSR shall promptly undertake by legal and ethical means to effect collection of all of Creditor's accounts accepted by GSR.

PHASE I & II

With respect to all accepted accounts, Creditor hereby authorizes GSR as Creditor's agent: to carry out collection efforts. GSR may receive remittances from debtors or their attorneys and to endorse same for deposit and collection- or to authorize attorneys employed by GSR on behalf of creditor to endorse for deposit and collection –any checks or other negotiable instruments which may be payable to creditor, and which may be received by GSR in full or partial satisfaction of any such account. GSR collections department all that follows, shall account to Creditor monthly for all sums collected and shall remit to Creditor at the time of such accounting the consideration due to Creditor determined as set forth in the Schedule of Charges attached. GSR shall be compensated at the rates set forth in the Schedule of charges. Accounts are subject to charges by GSR immediately upon acceptance by same by GSR for collection. Accounts settled by Creditor are likewise subject to GSR charges to the full extent of the amount of such settlement, and Creditor shall advise GSR of any such payments immediately in order to eliminate the possibility of harassment. Creditor agrees to SAVE and HOLD HARMLESS GSR and its duly authorized agents and attorneys from any and all liability resultant from failure to notify GSR of payment received other than from GSR, or any liability arising from or related to any inaccurate or erroneous information forwarded to GSR on accounts placed, or from negligent or wrongful acts or omissions of the client, including but not limited to any breach of this agreement. The indemnities provided for herein shall survive any termination of this agreement. We understand that neither you, your agents nor assigns, nor cooperating attorneys will guarantee the collection, or even the attempted collection of accounts placed with GSR. The prevailing party in any action arising from or relating to this agreement, or any breach of this agreement, shall be entitled to cover its costs and reasonable attorney's fees from a non-prevailing party. Neither GSR nor client shall be liable to the other for indirect, consequential, exemplary, incidental, special or punitive damages, or lost profits or revenues. Client agrees to automatic renewal of GSR Gold Star Recovery Program. Client will notify GSR in writing at least ten (10) days before contract's expiration. If such notification is not received the GSR Gold Star Recovery Program agreement will automatically renew and client will be responsible for the annual fee.

PHASE I & II

In the event GSR is unable to collect the claimant's accounts, GSR may recommend legal action if the circumstances of the debt makes such action necessary. Claimant shall be so notified and have the option to retain their own counsel and proceed with collection or to have counsel selected by GSR to proceed with the matter. The charges of attorney's fee, court costs and suit fees are separate from and in addition to the standard charges of GSR. GSR will forward the necessary forms for legal action and all such charges shall be included in all accounting by GSR and shall be applied in reduction of all gross collections during the accounting period regardless of the account to which such court costs are applicable.

PHASE I

Client must provide accurate information on each account and promptly report payments you receive on accounts placed with us. Client agrees to review each account placed to determine if payment was made prior to placing the account with GSR. Any account recalled by client will be charged our contingency collection fee based on the original amount placed in PHASE I & II. Phase I fees are the greater of \$40.00 or 10% of the amount placed. NO COLLECTION- NO FEE. Phase II fees are the greater of \$50.00 or 30% of the amount placed on all accounts aged under 1 year from the original billing date. On all accounts placed for collection that are over 1 year from the billing date will be charged the greater of \$50.00 or 40% contingency fee. A 40% collection fee will be charged based on the following criteria; accounts placed more than 1 year after the date debt incurred or the date of last payment/charge; is placed without a date debt incurred or a date of last payment last charged; was previously placed with an agency or attorney; has mail returned with no forwarding address. (The age of any account is the difference between the date of last service rendered, or payment on the account, and the date first submitted to us). Gold Stars Phase I recovery program is limited to a maximum of 50 cases per month or 10 % contingency collection fee. Monthly placements exceeding 50 cases will be charged a 20% fee.

PHASE II

This agreement may be terminated upon ten (10) days written notice by either party, however, GSR would still be entitled to receive its commissions and disbursements for any accounts making payment during phase II to us or to you during a period of ninety (90) days from such termination; we agree to forward said commissions to you for all monies received during this ninety (90) day period. The annual registration fee for Phase I & II is non-refundable. In the event that any part of this agreement does not conform to any applicable federal, State, or local law or regulation, this agreement is to be deemed automatically amended to conform thereto.

PHASE I PAYMENT PLANS OR SETTLEMENT

During phase I client may negotiate a payment plan and or a settlement amount with the debtor. Settlement or payment plans are solely between client and debtor. We therefore recommend your agreed upon arrangement with your debtor should include the 10% collection expense due GSR. Your collection expense is 10% of the original amount placed. Client has the option on the 61st day of phase I collection cycle to pay GSR the entire 10% fee of the amount placed or pay GSR 10% of the amount collected thus far and transfer the account to phase II for more intensive collection efforts and follow up. All accounts in phase II are billed a 30% contingency collection fee. Member client may submit an unlimited # of placements into collection every month however the 10% discount phase I collection rate only applies to the first 50 accounts submitted into collection per month.

AUTOMATIC TRANSFER TO PHASE II

The client agrees that if an individual account has completed the entire collection cycle of 2 collection notices under Phase I, and payment has not been made during phase I, the account will automatically transfer to phase II for intensive telephone collection efforts. Phase II accounts will be charged the above-mentioned contingency fees.

PHASE I & II DEMAND SERVICES

Client may add interest and or collection fees to their overview accounts provided they attach a blank copy of the agreement the debtor has signed authorizing such additional fees. GSR shall print and mail each letter totaling 2 notices under phase I bearing account data received from client. GSR during phase I shall not otherwise be responsible for participating in the collection effort of accounts based on such first and second letters. Phase I letters instruct your debtor to contact your office immediately to resolve this matter and avoid further collection efforts. Client represents and warrants that all debts submitted for phase I and II with GSR under this agreement are documented, valid debts with no legal or ethical impediment to collection, including but not limited to such things as; debtor bankruptcy; attorney representation of debtor; known in accuracy of amount claimed due. In addition, client represents and warrants that it shall promptly notify GSR, if and when client receives a payment corresponding to any accounts submitted for phase I and II furthermore client represents and warrants that, for the term during which any account is submitted for phase I written demands services and or phase II verbal demands services, client shall not submit the same account through any other person or entity for collection. Client shall indemnify and hold harmless GSR from and against any and all loss, cost, damage, claims, or injury on account of any matter or thing made, done, permitted, or neglected by it in connection with GSR attempts to collect debts forwarded to or assigned to GSR by the client.

COLLECTION AGENCY AND NON-LITIGATION ATTORNEY REFERRAL.

You fully authorize Gold Star Recovery and its affiliates to act as your collection agent for the attempted recovery of collecting unpaid debt. Additionally, accounts may be forwarded to independent attorneys for non-suit collection activity at the conclusion of our agencies usual efforts. This referral will be for further collection efforts not including litigation. The attorneys providing these services are independent from us. The attorneys will be serving as your attorneys and will not file suit or accept any compromise settlement or incur any expenses chargeable to you without your approval. You authorize us to act as your agent for purposes of referring the accounts, reporting the progress and handling amounts realized. Your total fee for accounts collected in Non-Litigation Attorney referral will be 40% of the amount collected, no collection no fee. You can refuse Non-Litigation Attorney Referral for particular accounts by notifying us at the same time the account is submitted for collections.