



URGENT: Affiliate Website and Marketing Compliance Memo Final

The debt settlement industry is continuously on watch by the FTC and Attorneys General. The following is information which will help you stay in compliance with your websites and marketing material. Please make note of these. We will be contacting each of you in the next week or two to go over your sites and make sure they are in compliance. **This is a serious matter and should not be taken lightly, especially when considering the new FTC ruling.**

All websites must include a privacy policy, terms of site, and must have a customer service number and complete physical address of your location(s).

You must not insinuate or mention any of the following on your websites. Please remove anything that implies any of the following statements in order to be compliant with FTC/AG guidelines.

Debt Settlement will:

- Help stop calls & creditor harassment. Debt Settlement programs do not help stop creditor harassment & this has long been an FTC violation. (If you want to address creditor calls/harassment, you can state that the client will have a personal Account Manager that will go over different options with them to help slow the calls.)
- Save up to up to 70% or you will save 40-60%. We suggest not using specific or guaranteed percentages, and simply stating "significant savings." If you insist on using percentages, you must use the law firm average, which is 38% (a 62% savings) and **you must include this verbiage next to the percentage:** *"This savings percentage (excluding program fees) is derived from actual results of clients referred with a minimum of \$10K in unsecured debt, and excludes accounts in legal status where the client chose to make minimal payments towards the full balance owed."*
- Help repair your credit rating in the long run. Debt Settlement does not improve or help repair credit in any way. This summary is especially timely for new companies entering the debt industries, who are marketing based on a credit improvement, or "we'll help you get your score up by settling your debt" model. This is a MAJOR violation with the FTC. Debt Settlement Companies need to be cautious so that they do not walk into credit repair with statements or inferences that cause consumers to think that their programs have an effect on consumer credit score or history (other than sufficient disclosure as to the potential negative effect).
- The Debt Alternative Center LLC also does not allow companies to commingle services with its services. The services on the Debt Settlement site should be for Debt Settlement only. Commingling credit repair with debt settlement is a major violation with the FTC. If you have a separate service you are offering for the client, make sure the client contacts you about it directly, or that there is a link to a separate site for that service.
- Be using attorneys to help negotiate your accounts

Initials:



Debt Settlement will (continue):

- Help you avoid bankruptcy. DS does not help avoid bankruptcy, but is actually another option prior to filing bankruptcy.
- Save you money on interest & late fees. DS does not prevent interest or late fees from accruing in any way.

Also, please avoid the following:

- Using the word “guaranteed” or “free.”
- "We will negotiate more favorable settlements than you can on your own."
- "We have established relationships with creditors."
- "We will help you if you get sued."
- Using words like reduce or eliminate (“negotiate” works in lieu of this).
- Using phrases like “save \$___ off your current payments.” You cannot even hint for the client to not make their payment.
- Most people don’t get sued.

It is also mandatory that the following disclosure be at the bottom of every page of every website:

(YOUR COMPANY NAME) does not assume or pay any debt, nor does it give legal advice, offer credit repair, or help stop creditor & collector calls. Individual results vary and are dependent on successful completion of program and ability to save funds.

Please review and sign the indemnification on the following page, and make sure to adhere to these marketing policies. Our counsel has advised us that the FTC will be actively reviewing debt relief company websites and marketing materials looking for potential marketing violations. Any organization found to be out of compliance regarding the FTC ruling on debt relief companies will be assessed a fine of \$10,000 per violation. As an example, if a mailer is found to be a violation of the rule, all clients who were sent that mailer would cost the marketing company a fine of \$10,000 PER CLIENT; in addition, all clients of that company would need to receive a refund of any fees paid, regardless of state of residence. In regards to websites, a site with a violation would cause the company to incur a fine of \$10,000, and all clients of that company would need to receive a refund of any fees paid. These are serious consequences and we are adopting a strict policy on the enforcement of these guidelines.

Initials:



If you have questions about a particular statement or marketing piece you wish to use, please contact us to have it approved before publishing it on the internet or sending out any mailer.

On behalf of my company, I understand and agree to the terms of this document, and agree that I shall comply with all federal and state laws that regulate my lead generation and marketing practices. I understand that I am expressly forbidden from violating the terms of this Notice or any law that applies to my marketing or lead generation business, and any such violation shall be grounds for immediate termination and revocation of my agreement with The Debt Alternative Center LLC. I further agree to fully indemnify and defend The Debt Alternative Center LLC from and against any and all liability, allegations or claims arising from or related to my company's marketing or lead generation activities, and that such indemnification shall include and not be limited to reimbursement for the costs and attorneys fees in defending any such claim or action.

Name Signature

Title Date

Company Name