

Figueredo & Boutsis, P.A.

18001 Old Cutler Road Suite 533 • Palmetto Bay, FL 33157

ATTORNEY/CLIENT FEE AGREEMENT NON-FORMAL (CHAPTER 13) DEBT RESOLUTION PROGRAM

File #: 1151520778

The law firm of Figueredo & Boutsis, P.A. ("Attorneys," "Our" or "We") agrees to provide legal services to you, Ed Garrity / Mary Garrity, on the terms and conditions set forth in this Agreement.

1. **EFFECTIVE DATE** This Agreement will not take effect, and we will have no obligation to provide any legal services to Client, until Client returns a signed copy of this Agreement to Attorneys. The effective date of this Agreement, however, shall be retroactive to the date we first performed services, if prior to the date Client signs this Agreement.

2. **SCOPE OF SERVICES** Due to the existing financial hardship you have identified, you are retaining Figueredo & Boutsis, P.A. as your attorneys to represent you, and only you, with respect to the Non-Formal Chapter 13 Debt Resolution wherein Attorneys will attempt to negotiate your unsecured debts listed on the attached schedule (hereinafter referred to as your "Debt") entitled "Schedule of Debt," which is incorporated by reference into this Agreement. Attorney is dedicated to the principle of providing quality services to consumers at reasonable cost and with adherence to the highest ethical standards. Legal counsel will be available to consult with and advise you as to matters that may arise regarding this representation of you. The process of negotiating unsecured debts may include the following services:

- a. Attorneys will contact and notify your creditors that we have been engaged as your attorney to represent you in matters pertaining to the resolution and settlement of your scheduled Debts;
- b. Your creditors and their collection agencies will be advised that all communications and efforts to collect on your Debt are to be directed to Attorneys and its designated outsourced paralegals/paraprofessionals (see paragraph 3);
- c. Attorneys will advise your creditors of your desire to reach a fair and honorable resolution settlement of your Debts. We will explain to your creditors that a non-formal debt resolution and settlement only can be offered when funds are available to be placed in Our attorney trust account, and that time is required for you to build up these funds;
- d. Attorneys will make an offer to resolve and settle a debt once 20% of the debt has been accumulated by you (while negotiations may occur with multiple creditors at any given time, settlements are sequential based upon the amount of funds you have accumulated);
- e. You will be provided with a monthly statement of your account activity during the course of Our representation of you;
- f. You will be provided with a copy of all resolution settlement letters.

Attorneys' representation will not include any matters other than the attempted negotiation, resolution, and settlement of your Debts. Services other than this Non-Formal (Chapter 13) Debt Resolution Program are to be covered by a separate, written agreement with regard to such other representation. We agree to take reasonable steps to keep you informed of the progress of your debt resolution matter, and to respond to your inquiries. We will not represent your spouse or any other member of your family unless we have a signed written fee retainer agreement for legal services between them and Attorneys. Unless We enter into a different written agreement with you, this Agreement will govern all legal services We may perform for you.

3. **UTILIZATION OF OUTSIDE SERVICES, DISCLOSURE, AND CONSENT** You understand and agree that Attorneys may utilize the services of Morgan Drexen, Inc., an outside company, to assist Attorneys in performing non-legal services under this Agreement, including communication with your creditors. Although Morgan Drexen, inc. is not a party to this contract, you hereby consent to Our utilization of its services, including any necessary disclosure of confidential information to Morgan Drexen, Inc.

4. **UTILIZATION OF LOCAL COUNSEL** You authorize Attorneys with the discretion to select, if necessary, an attorney licensed in your jurisdiction ("local counsel") to assist Attorneys in providing services under this Agreement. Attorneys' use of local counsel will not increase the fees and charges you agreed to pay under this Agreement. If Attorneys needs to transfer your case from one local counsel to another, your consent to such transfer will be implied unless you object in writing within seven (7) days. By signing this Agreement, you are consenting to Attorney's sharing part of Our fee under this Agreement with local counsel.

5. **FUTURE SERVICES** Attorneys, with the assistance of Morgan Drexen, Inc., will be providing those services described above for the negotiation and resolution, of your Debt. Those services do not include litigation or bankruptcy services. Representation as to such other legal matters may be made available under a separate agreement. The separate agreement would address the terms and scope of such representation, as well as the additional charges for any additional services. You understand that litigation matters are always time sensitive and that you must notify Attorneys immediately and provide Attorneys with all necessary paperwork in order to allow Attorneys to advise you effectively, and to prepare pleadings if necessary, so that deadlines are met.

6. FEES You agree, upon resolution, or write off of an account listed as your Debt at any time during the period of this Agreement We are to be paid, a contingent fee equal to eighteen percent (18%) of the verified original balance of the resolved account at the time of the engagement. The Attorneys earn the aforementioned fees immediately upon resolution and settlement of each debt along with the first payment to the creditor. You understand that the law does not set Our contingent fees: the client and the law firm negotiate contingent fees. You further understand that if, during this Agreement a creditor with whom Attorneys have communicated offers to settle directly with you, and you agree to such a resolution at any time, that Attorneys will be entitled to receive the contingent fee described above. We earn Our contingent fee if you receive, directly from a creditor or its agent, a structured, discounted payment plan, a lump-sum discount payoff amount or a complete write-off of the debt.

7. ATTORNEY'S DISCRETIONARY ADVANCE TO QUALIFIED CLIENTS From time to time, Attorneys may learn of circumstances pursuant to which you may be eligible for non-formal resolution of a debt although you lack sufficient funds to take advantage of the time-sensitive opportunity. If your shortage is less than \$1,000 and your circumstances reflect a present ability to repay a completely discretionary advance, Attorneys may, but are not obligated to, make an interest-free, no charge or fee advance of up to \$1,000 to your funds held in trust, so that you would be in a position to take advantage of the resolution opportunity. If Attorneys choose to exercise discretion to effectuate an advance on your behalf, you agree that Attorneys may recoup such an advance from money being set aside by you to finance future resolutions of debt. You will be informed of the advance, which will be reflected in resolution notification to you. By signing this Agreement, you acknowledge that Attorneys have notified you of the desirability of seeking the advice of independent legal counsel regarding this discretionary advance and you hereby consent to granting Attorneys the discretion to advance funds on these terms. If, at any time, you do not choose to be qualified for an advance, you may opt out by providing written notice to Attorneys.

8. CLIENT'S DUTY OF COOPERATION You agree to be truthful with Attorneys regarding any information you provide to Attorneys, to cooperate with Attorneys in the process of negotiating non-formal resolution of your Debt, to keep Attorneys informed of developments that may affect your rights, to abide by the terms of this Agreement, and to keep Attorneys regularly informed of any changes in your address, telephone number, and current whereabouts. You agree generally to cooperate with Attorneys in all matters related to the preparation, presentation, and resolution of your Debt.

9. ATTORNEYS' AUTHORITY You hereby grant authority to Attorneys to resolve any account within resolution ranges between 0% and 25% and 26% and 50% of the balance at the time of resolution without your prior approval unless you provide Attorneys with written notice to the contrary. We expect that your creditors will continue to want payment during the time it takes you to accumulate enough funds to offer a non-formal resolution. Upon notice from you, Attorneys will intercede on your behalf to prevent any illegal harassment of you, although we cannot guarantee that creditors will cease contacting you, or when they will cease contacting you. In connection with the negotiation, reduction, or resolution of your Debt covered by this Agreement, you hereby grant to Attorneys the power and authority to execute and endorse any and all resolution documents, orders and other papers which you could properly execute or endorse. You further grant us the authority to enter into any and all Debt negotiations on your behalf as the Attorney deems appropriate, and to handle negotiations and resolution discussions regarding your Debt matter to the same extent as fully as you could do so in person. This limited power of attorney further authorizes Attorneys, as warranted by the circumstances, to request the transfer of funds which you may have deposited within an attorney's trust account, make distributions to satisfy terms of debt resolution, and payments of agreed upon fees to Attorneys.

10. OUTCOME AND EFFECTS Attorneys cannot and do not predict or guarantee the outcome or resolution of your Debt. Any discussion or speculation about what may happen is made solely to provide you with an understanding of the range of possibilities based upon Attorneys' experience and knowledge regarding similar situations, the information you provided at the time of engagement, your compliance with your obligations, and creditors' policies, which may change from time to time. Based upon that experience, Attorneys' experience and your compliance with your obligation, it is estimated, based on historical experience and other information, that you will complete the Non-Formal Chapter 13 Debt Resolution Program in 72 months. You hereby acknowledge that prior to the implementation of this Agreement you will have taken part in a recorded interview outlining this Agreement's terms and effects.

DISCLOSURES

The Non-Formal Chapter 13 Debt Resolution Program is an alternative to Bankruptcy which does not include the filing of any bankruptcy petition in a Bankruptcy Court and, during the program, does not provide the same protections set forth in the Bankruptcy Code. You understand that your Debt may continue to accrue interest until these matters are resolved and that creditors may impose other penalties as a result of delinquent payments, including, but not limited to: (1) forwarding the account(s) to a third party collector or law firm in order to collect on your Debt; and/or (2) collection efforts including the filing of a lawsuit or arbitration claim and if a judgment is obtained, the creditor may garnish the consumer's wages; and/or (3) increasing the annual percentage rate on delinquent accounts; and/or (4) the reporting of adverse information to credit bureaus which may affect your creditworthiness; and/or (5) you may be liable for federal and state taxes on the amount your Debt is reduced; and/or (6) in those instances where Attorneys negotiate a reduced Debt amount, the following notations may appear on your credit report: "settled," "paid in full," and/or "settled for less than full amount." After carefully considering these possibilities, you wish to proceed with the terms and conditions of this Agreement.

11. DISCLAIMER OF GUARANTEE Nothing in this Agreement and nothing in Our statements to you are intended to be, and shall not be construed as, a promise or guarantee regarding the outcome of your matter. We make no promises or guarantees regarding your Debt negotiation, resolution, and its potential or expected outcome. We make no assurance that Attorneys will negotiate a reduced Debt amount. Any comments or statements by us about the outcome of your matter are expressions of opinion only and shall not be construed as promises or guarantees regarding the final resolution or outcome of your matter.

12. CONFIDENTIALITY You agree that (i) Non-Formal At-Law Firm, its lawyers (including any referred and/or local counsel), other employees, and any out-sourced service vendors may disclose such confidential client information as is necessary to facilitate the services Attorneys are providing, whether such disclosure is to the outside companies, any associated counsel, or your creditors. Pursuant to Section 504(a) (2) of the Fair Credit Reporting Act you authorize Attorneys and its agents, at their cost, to access your credit report during the period beginning with the date of inception of this Agreement and up to six months following the settlement and resolution of the last unsecured debt. The credit report will be accessed no more than two times during the course of your representation, and you will not be charged any cost or fee for obtaining the report. Attorneys authorize Morgan Drexler, Inc. to provide aggregated, non-client specific data to governmental agencies, to Us, and to improve services by demonstrating to credit holders and prospective clients the benefits achieved through attorney supervised non-formal debt resolution services utilizing outsourced paraprofessionals and paralegals. Regardless, this Agreement is not to be construed as Our offering to repair your credit.

13. RETURN OF DOCUMENTS Any documents requested from you shall, to the extent possible, be sent to us in the form of copies or faxes. Any original documents provided to us will be returned to you during, or at the conclusion of this engagement if such a request is made in writing. If no request is made, Attorneys will retain the file in accordance with the laws of the state in which you reside, after which time the file may be destroyed without further notice. You hereby consent to Attorneys retaining all records in electronic form only.

14. ARBITRATION You agree that any claim or dispute between you and Attorneys or against parties' agents, employees, successors, or assigns shall be resolved by binding arbitration, whether such dispute is related to this Agreement or otherwise. The parties further agree that such arbitration will be filed with the American Arbitration Association, will be governed by the Association's rules of procedure, and that the decision rendered will be binding.

Further, both you and Attorneys hereby acknowledge, understand, and agree that arbitration of disputes under this Agreement has advantages and disadvantages when compared to subjecting such disputes to the court process and a jury trial, including, but not limited to:

- a. Arbitration may provide a faster resolution of any disputes than a court of law;
- b. Arbitration may provide a less expensive means of reaching a resolution of the parties' differences;
- c. Arbitration may provide a more informal means of resolution of disputes;
- d. Arbitration may allow less discovery than that allowed in a lawsuit;
- e. Arbitration is binding and appeals are limited.

By agreeing to this arbitration clause, both you and Attorneys give up the right to a trial by either party as against the other. In the event of lack of cooperation or acts or actions that hinder the arbitral process, the arbitrators are empowered to make adverse interim findings, to provide preliminary injunctive relief, or take other actions that will facilitate the arbitral process or appeals, including making findings of fact or conclusions of law in a written decision.

15. TERMINATION You may terminate this Agreement at any time, without penalty, by providing Attorney with fifteen (15) days written notice. If you decide to withdraw from the Non-Formal Chapter 13 Debt Resolution Program, you will not get back any fees that have been earned. Attorneys may terminate this agreement if you unreasonably fail to cooperate in our representation of you. Termination will be effective fifteen (15) days after written notice is sent to your last known address. To the extent you are saving funds in an attorney trust account, be advised that you own the funds held in the account and, upon termination of this contract you are entitled to receive all funds in the account at the time of termination.

16. FEES ON TERMINATION In the event of the termination of this Agreement by either party, any accrued fees shall become immediately due and payable, including fees on settlement resolution offers which originated during the term of this Agreement, regardless of when the settlement resolution is accepted or even if the settlement resolution offer is modified after termination of this Agreement.

17. SEVERABILITY If any provision of this Agreement is found to be invalid, that portion shall not affect the validity or enforceability of the remaining provisions, which will remain in full force and effect.

18. ENTIRE AGREEMENT This Agreement constitutes the full and complete agreement between the parties and supersedes any and all other agreements or understandings, whether written or oral, with respect to services provided for in this Agreement.

19. AMENDMENT OF THIS AGREEMENT Attorneys may make changes to this Agreement, including Attorneys' assignment of this agreement another attorney, by providing you with a written notice of any change to this Agreement. Such change will become effective thirty (30) days following notification, unless you provide Attorneys with written notice of your objection prior to the effective date of the change.

Except as provided above, no modification or amendment to this Agreement is valid unless set forth in a separate and distinct written agreement signed by the parties to this Agreement. No waiver of any term or condition of this Agreement will be valid or binding on a party unless agreed upon by such party in writing.

20. LIEN FOR LEGAL SERVICES You hereby grant us a lien on all claims or causes of action that are the subject of our representation under this Agreement. Our lien will be for any sums owing to us for any unpaid costs or attorney fees at the conclusion of our services. The lien will attach to any recovery you may obtain, whether by arbitration award, judgment, settlement, or otherwise.

21. GOVERNING LAW The enforceability, validity, construction and operation of this Agreement, and all of its terms, shall be determined according to the laws of the State of Florida.

22. NEGOTIATED AND INDIVIDUALIZED AGREEMENT You understand and acknowledge that this is not a standardized contract on a "take-it-or-leave-it" basis, and is not a contract of adhesion, and that prior to entering into this agreement, you have the freedom to bargain for and negotiate any of the terms of this Agreement, or to consult with or retain any other attorneys of your choice.

23. RECEIPT OF COPY OF THIS AGREEMENT By signing below, you acknowledge that you have received a copy of this Agreement, that you have read the entire contents of this Agreement and that you understand and voluntarily agree with all of the provisions and terms of this Agreement as of the date Figueredo & Boutsis, P.A., first provided professional or legal services on your behalf.

YOUR SIGNATURE BELOW CONSTITUTES YOUR CONSENT TO THE FEES SPECIFIED ABOVE AFTER CERTAIN CONDITIONS ARE MET. CAREFULLY READ THE TERMS AND CONDITIONS SET FORTH ABOVE PRIOR TO SIGNING THIS AGREEMENT.

I/WE EACH HAVE READ THE ABOVE AGREEMENT BEFORE SIGNING IT AND I/WE ACKNOWLEDGE THAT I/WE UNDERSTAND ITS TERMS AND CONDITIONS AND ARE ENTERING INTO THIS AGREEMENT FREELY AND VOLUNTARILY.

AGREED AND ACCEPTED BY: **Wednesday, December 8, 2010**

X *Electronic Signature Received : 71.200.252.147*

SIGNATURE OF CLIENT

Ed Garrity

NAME OF CLIENT

X

SIGNATURE OF CO-CLIENT

Mary Garrity

NAME OF CO-CLIENT

Address of the Client:
21 Onyx Dr.
Naples, FL 34114

Phone: (239)793-0467
Email ID: N/A

ACCEPTED BY: **Figueredo & Boutsis, P.A.**

Figueredo & Boutsis, P.A.
ATTORNEY AT LAW