

Addendum to Engagement Agreement for Residents of the State of California

- A. A complete list of Client's obligations to be adjusted, including the name of each creditor, is included on the Creditor Summary that is part of this Agreement.
- B. FFEF does not charge fees for its services. Client may make a voluntary contribution as provided for under paragraph 8 of the Engagement Agreement. Notwithstanding, under California law, in no event may a charge for education and counseling (a one time charge) exceed \$50.00. Monthly contribution amounts may not exceed \$35.00 or 8% of the money disbursed, whichever is less.
- C. The estimated commencement and termination dates of the contract are \_\_\_\_\_ and \_\_\_\_\_ respectively. Upon receiving notice of termination, FFEF will return to Client all monies received from the client, which are in FFEF's possession. FFEF will not communicate any derogatory information about Client to a creditor solely based on the fact that Client has terminated his or her contract with FFEF. Derogatory information does not include notification that Client is no longer a client.
- D. FFEF's debt management services include education materials, counseling, budgeting, financial analysis, financial evaluation, financial consulting, negotiations with Client's creditors and receiving and disbursing payments on client's behalf. FFEF will provide educational services and materials to client on how to establish a workable household budget and how to effectively control spending. FFEF recommends that Client destroy his or her credit cards. FFEF will disburse payments to creditors up to four times per month. FFEF will attempt to work out a payment arrangement with creditors to reduce Client's minimum monthly payments, lower or freeze interest and bring accounts current. FFEF will implement its "roll up" program to accelerate the time needed to get Client out of debt, and also reduce the amount of interest paid to creditors. FFEF's goal is to provide educational services that will allow Client to be responsible for debts, make good decisions in the future and to implement a life style change that will allow Client to live without the burden of excessive debt. FFEF's educational materials and counseling will provide information and services that will assist Client in developing a structure for living, which will allow Client to get beyond the "paycheck to paycheck" mentality, and teach Client how a savings program can become an active part of Client's financial world.
- E. Client's first disbursement pursuant to the debt management plan must be received within 90 days of executing this Agreement.
- F. Client may rescind this Agreement at any time up to the third business day after the day on which Client signs this agreement. By signing this Agreement Client acknowledges that he has notice of his right to rescind this Agreement. In the event that Client exercises his right to rescind this Agreement, all fees paid associated with the Agreement will be promptly returned to the Client.**

- G. Complaints related to this Agreement may be directed to the California Department of Corporations. This nonprofit community service organization has adopted best practices for debt management plans, and a copy will be provided upon request.
- H. NOTICE: Please be aware that debt management plans are not suitable for all consumers and consumers may request information on other options, including, but not limited to, bankruptcy.
- I. NOTICE TO CONSUMER: Do not sign this agreement before you read it.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

*Wm. Richards Cluny*

\_\_\_\_\_  
Family Financial Education Foundation

BY: Wm. Richards Cluny

ITS: President

\_\_\_\_\_  
Client

\_\_\_\_\_  
Co-Client

*Client: yellow copy; Company: original*