

312 602 3911

SETTLEMENT AGREEMENT AND GENERAL RELEASE

1. INTRODUCTION. This Settlement Agreement and General Release ("Agreement") is made and entered into and is effective as of the date below, by and between Daniel A. Banks ("Banks") and Collection Masters, LLC ("CM") with regard to a past due account ("Account") and Banks' alleged violations of the Fair Debt Collection Practices Act ("FDCPA") 15 U.S.C. § 1692 *et seq.* CM denies any wrongdoing and/or liability. To avoid the expense and uncertainty of litigation, and without admitting or denying the validity of the potential claims and potential defenses that could be asserted by each party, Banks and CM (collectively "Parties") have agreed to enter into this Agreement.

THEREFORE, in consideration of the foregoing, and of the promises contained herein, the Parties agree as follows:

2. SCOPE OF RELEASE. This Agreement encompasses any and all credit reporting and/or collection efforts of CM, its current and former representatives, agents, employees, officers, shareholders, successors, predecessors, assigns, as well as its attorneys relative to the Account.

3. PAYMENT AMOUNT. To resolve this dispute, CM shall pay to Banks the total sum of Two Thousand Seven Hundred Fifty and 00/100 Dollars (\$2,750.00).

4. PAYMENT MANNER. The payment amount referenced in Paragraph 3 shall be paid in five (5) monthly installments ("Installment Payment") and each Installment Payment shall be made payable to Larry P. Smith & Associates, Ltd. Client Trust Account and shall be tendered to Larry P. Smith, 205 N. Michigan Ave., Suite 4000, Chicago, IL 60601, pursuant to the payment scheduled defined in Paragraph 5.

5. PAYMENT SCHEDULE. Provided that counsel for CM has received an copy of this Agreement executed by Banks, the first Installment Payment shall be paid by January 15, 2008, in the amount of Seven Hundred Fifty and 00/100 Dollars (\$750.00); the second Installment Payment shall be paid by February 15, 2008, in the amount of Five Hundred and 00/100 Dollars (\$500.00); the third Installment Payment shall be paid by March 15, 2008, in the amount of Five Hundred and 00/100 Dollars (\$500.00); the fourth Installment Payment shall be paid by April 15, 2008, in the amount of Five Hundred and 00/100 Dollars (\$500.00); and the fifth Installment Payment shall be paid by May 15, 2008, in the amount of Five Hundred and 00/100 Dollars (\$500.00).

6. DEFAULT. In the event that CM fails to comply with any aspect of Paragraph 5, or fails to make complete payment to Banks and Larry P. Smith & Associates, Ltd. of the above amounts, CM hereby consents, acknowledges and allows a judgment to be entered against it in the entire amount of the settlement less the amounts of the funds paid to date of the default. CM further knowingly and intentionally waives its rights to defend the underlying case.

7. RELEASE. Banks, on her behalf and on behalf of her heirs, hereby releases and discharges CM and its respective current and former predecessors, successors, parents, affiliates, subsidiaries, creditor and all of the aforementioned's' respective agents, employees, officers, directors, shareholders, attorneys, collection agencies, independent contractors and vendors from all claims of any kind (including all claims for damages, interest, fees and/or attorney's fees), including but not limited to any claims that Banks may have with respect to the Account, any reporting of the Account to the credit bureaus, any alleged access of Banks' credit history, any

collection efforts on the Account or any other accounts, or any other matters between Banks and CM, including without limitation, all claims that were asserted or could have been asserted in a lawsuit, as of the date of this Agreement, including, but not limited to, claims for invasion of privacy or any other claim arising under state or federal law, claims arising under the federal Fair Debt Collection Practices Act and the Gramm Leach Bliley Act (aka the Financial Services Modernization Act), claims arising under the Fair Credit Reporting Act and any Consumer Fraud Act, in addition to any state law claims up to the date of this release. Banks further agrees that she will not file any claims, complaints, affidavits, arbitrations and/or proceedings with any court, arbitration forum, regulatory or administrative agency ("Proceedings") with respect to the matters released in this Agreement against any of the aforementioned, and any such proceedings filed prior to the execution of this Agreement, if any, shall promptly be dismissed or withdrawn. This Agreement is intended to resolve forever the entire disagreement between Banks and CM relating to the Account or any other account, all of which are intended as beneficiaries of this Agreement and entitled to enforce it. The releases set forth in this paragraph shall apply equally to the Parties, their representatives, agents, independent contractors, employees, officers, shareholders, directors, attorneys, sureties, guarantors, successors-in-interest, predecessors-in-interest, assigns, parents, subsidiaries, affiliates and other related entities, corporate or otherwise.

8. GOVERNING LAW. This Agreement shall be governed by the substantive laws of the State of Illinois.

9. CONSTRUCTION. All Parties certify that they have had a full opportunity to review this agreement and have had the opportunity to consult with an attorney of their own choosing; thus, the Parties agree that the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in construing this Agreement.

10. EXECUTION IN COUNTERPARTS. This Agreement may be executed in counterpart, each with the full force and effect of an original document. In addition, a copy or facsimile of this Agreement shall have the same force and effect of an original document.

11. SUCCESSOR RIGHTS AND LIABILITIES. This Agreement shall be binding upon and shall inure to the benefit of the respective successors, assigns, and legal representatives of all Parties hereto. Nothing in this Agreement, express or implied, is intended by the Parties to confer upon any person other than the Parties hereto, those entities and individuals set forth in paragraph 6 herein, or their respective successors or assigns, any rights or benefits under or by reason of this Agreement.

12. CONFIDENTIALITY. Banks agrees that, from the date of the execution of this Agreement, she will hereafter keep strictly confidential the claims between the Parties, the matters giving rise to this Agreement, and the substance of this Agreement. Banks agrees that she will not disclose any information regarding this Agreement or the substance or subject matter hereof to any person, firm, corporation, or other entity, orally or in writing, except as may be necessary to comply with applicable laws and regulations, court orders or other process of law, confer with a financial advisor, tax

preparer, or lawyer regarding the subject matter of this Agreement, or to enforce this Agreement.

13. ENTIRE AGREEMENT. The Parties agree and each represent that each has read and fully understand the terms of this Agreement. The Parties agree and represent that no promise, inducement, or agreement not expressed in this Agreement have been made by any of the Parties. The Parties agree and represent that this Agreement contains the entire agreement between them and may not be modified or supplemented except by a writing signed by both Parties. The Parties agree and represent that the terms of this Agreement are contractual and not a mere recital.

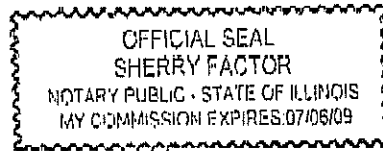
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates below.

Daniel A. Banks
Daniel A. Banks

STATE OF ILLINOIS)
COUNTY OF *Cook*) ss.

On this *15th* day of *December*, 2008, before me did appear Daniel A. Banks, to me personally known, who by me duly sworn, did acknowledge said Agreement to be her free act and deed.

Sherry Factor
Notary Public



Collection Masters, LLC

By *[Signature]*

Its *VP Business Op*