

An Open Letter to Our Debtors:

Western Capital was developed on one simple concept... To treat each and every debtor with respect, honor, dignity and integrity and in return we expect the same.

As you are certainly aware, Our collection teams have been assigned a difficult task... to get you or your company to pay your financial obligations to our clients. Western Capital prides itself on it's ability to create win-win situations for our clients and debtors, But sometimes there is no way to achieve that goal. In those situations, we must sometimes compel you (by formal legal action) to pay your obligations. The filing, drafting and service of a legal action against you is costly. Most Collection Companies will not bother with litigation. It is important that you understand that **WE ARE DIFFERENT**. You see, Western Capital is the collection company that businesses turn to when they are "Fed Up" with excuses, empty promises and lack of communication. Western Capital is in the business of doing one thing... collecting bad debt.

We spend large amounts of money each year on litigation, investigations and retainer of attorney's throughout the world. It is important for you to understand that we are acting on behalf of your Creditor. **Once we are involved, they will not be able to help, assist or discuss your account with you directly.** They will not be able to "make a deal" with you to settle your account. They will not be able to accept your payments. The bottom line is that when your account is placed for collection with Western Capital, your ability to resolve your obligation directly with your creditor ENDS.

Once an account is placed for collection against you or your company, you are given various rights. We are responsible to completely abide by the Fair Debt Collection Practices Act, which states that you have the right to require that we provide you with written verification of your debt upon request. You also have the right to dispute the validity of a claim that has been placed against you. We suggest that you check with a local attorney to receive further information on your rights as a debtor.

In an effort to help you in your time of crisis, we have listed the following signs that can help you determine if you have a debt problem.

Are You Over your Limits

Many credit cards charge fees for spending over your credit limit. This will make this month's balance larger than last month's. If all of your credit card balances are greater than 80 percent of your credit limits, consider this a danger signal.

Do You Have Too Many Cards/Too Much Debt

As a general rule of thumb, you either have too many credit cards or you are carrying too much debt if it seems you cannot pay off your combined credit card

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debt within one year. When was the last time you had a zero balance on your credit cards?

Are You Always Out of Money

Many people are using credit for small purchases such as gas and food. If you previously paid cash for these or other small items, but are now using credit, it could be a sign that there's a problem.

Do You Have A High Debt-to-Income Ratio

Your debt-to-income ratio measures the amount of debt you have against your income. You can calculate this ratio by dividing your total monthly debt payment (excluding mortgage/rent) by your total monthly gross income (before taxes). For example, \$500 in total monthly debt payments divided by \$2,000 in monthly gross income results in a debt-to-income ratio of 25 percent. If you have a debt-to-income ratio near or over 20 percent, this is a sign that you may have a debt problem.

Are You Prepared For Emergencies

It's a fact. Crises and emergency situations happen, and people sometimes are unable to pay for such things as emergency auto repairs or medical expenses because their credit cards are tapped or the majority of their earnings are applied toward debt repayments. It's always important to keep an open line of credit available for such situations.

Do You Make Just The Minimum Payments

What many people don't realize about revolving credit card bills is that making only the minimum payment-or less-can take 12 to 15 years to repay. Making only the minimum payment means you are not applying any significant amount toward the principal. If you're making only the minimum payments on your credit cards every month, you may be overextended and in need of putting together a spending plan.

Are You Using Your Credit to Make Payments on Other Cards

Taking cash advances to pay bills is not a solution for paying off debts. Paying one credit card with another line of credit actually creates more debt. In addition to the amount equivalent to the original debt, you will be faced with any cash advance fees and interest from that new line of credit.

Do You Make Balance Transfers

Many creditors offer new credit cards with balance transfers available at low interest rates for an introductory period. It's important to remember, though, that

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after the introductory period the interest rates typically skyrocket to 19 percent or more. Additionally, an increasing number of credit cards are charging fees for transferring balances. If you keep switching credit card balances, you may have a problem managing your finances.

Are You Skipping Payments

Are you late paying your mortgage, rent, car loan, or utility bills more than once per year? If you juggle bills and skip payments, this is a definite sign that you have a debt problem.

Are You Always Borrowing Money

If friends and relatives are constantly giving you money and you're still short on your bills, credit counseling can help you learn how to budget or put you on a plan for paying off your debts. If you refinance your debts before they're paid off, you'll likely be subject to administrative fees and higher interest rates from lenders.

Are You Looking For Debt Consolidation Loans

Are you borrowing from a new source to pay off an old debt? Many people who do so obtain debt consolidation loans to pay off all their existing bills. However, once the bills are paid off, some people wind up charging on their credit cards again. This means having to pay back the loan plus the new credit card charges, which drives people needlessly into further debt.

Are You Unsure of the Amount Owed

Many people have no idea how much debt they carry on a monthly basis. If you keep using credit cards and are not tracking your spending, your financial situation could get out of control quickly

If any of these problems exist, we would strongly suggest that you contact a qualified debt re-structuring company and seek help immediately. We will always work with accredited debt counseling companies such as Consumer Credit Counseling Services to help you in re-paying your debts, but **YOU** must make the first move to help yourself.

Once you receive our demand letter, It is important that you take the time to contact us as soon as possible so that we may create a custom plan to help you to re-pay your account.

If at any time, you need help or assistance from Western Capital, please feel free to contact our offices at 1-877-279-8298 or e-mail us at wcapital@inconnect.com

Wishing You The Best, Western Capital