



State of New Hampshire

Department of State  
Bureau of Securities Regulation

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I, Carvel B. Tefft am employed by the New Hampshire Department of State, Bureau of Securities Regulation as a Securities Examiner. On March 18, 2011, I telephoned Mr. Robert Shomphe, President/CEO of the Better Business Bureau (BBB) serving the New Hampshire area and located at 48 Pleasant Street, Concord, NH 03301. Mr. Shomphe was asked a series of questions and he reported the following:

The Better Business Bureau publishes BBB Accreditation Standards and to be accredited by the BBB a business or organization affirms that it meets and will abide by these standards. BBB accredited businesses pay a fee for accreditation review/monitoring and for support of BBB services to the public. The Code is built on the BBB Standard for Trust, eight principles that summarize important elements of creating and maintaining trust in business. This does not mean the business products or services have been endorsed by the BBB nor has the BBB made the determination as to the business product quality or competency in performing services.

Mr. Shomphe stated that if licensing was required by a business to any state agency, BBB would confirm whether the license was in good standing upon their initial accreditation process. From that point on information on market conduct is recorded; i.e., inquiries and complaints, and would subsequently be available to the consumer. In the case of Financial Resources Mortgage (FRM) 1,700 inquires were made over the past thirty six months (March, 2011 to date) and three complaints received. The approximate breakdown of the 1700 inquiries is: 2011—27 inquiries, 2010—214, 2009—1314. Breaking down the 1314 inquiries received in 2009, 20-30 inquiries were made on average per month and spiked to 820 in November, immediately following the closing of FRM. Of the three complaints received, one was received in August, 2009 and the other two after FRM closed. Additionally, in the case of FRM, the BBB posted for the consumer how to contact the New Hampshire Banking Department including a telephone number and e-mail address.

Signed

Carvel Tefft

SWORN TO AND SUBSCRIBED BEFORE ME BY THE SAID

Carvel Tefft, this 25<sup>th</sup> day of March 2011

To certify which witness by hand and seal of office.

Justice of the Peace

8-19-14

My Commission Expires