

ACTION COLLECTION SERVICES INC. CLIENT AGREEMENT

This COLLECTION SERVICES AGREEMENT (the “Agreement”) is dated as of the date set forth below by and between ACTION COLLECTION SERVICES INC. (“ACS”), a New York corporation and the undersigned.

WHEREAS, ACS is a debt collection service that operates in accordance with all applicable federal, state and local laws;

WHEREAS, ACS has been hired by the undersigned for the purpose of rendering collection services.

NOW THEREFORE, in consideration of the premises and of the mutual agreements hereinafter set forth, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Services. ACS agrees that it will provide its debt collection services in a professional and ethical manner, in accordance with applicable federal, state and local laws. All monies collected by Action Collection Services will be remitted to the undersigned client with the monthly statement.

2. Fee Schedule. The collection fee schedule is:

- If ACS does not collect any payment in respect of a debt, there is no fee. ACS does not require up-front fees or retainers.
- When a claim is delinquent 120 days or less, the fee is 30% of what is collected.
- When a claim is over 120 days delinquent, the fee is 33% of what is collected. This applies to any claim that is pre-judgment.
- For claims placed with a judgment, or a judgment is obtained with the assistance of ACS, the fee is 40% of what is collected.

3. Additional Terms and Conditions.

The undersigned client agrees to the following additional terms and conditions:

- a. promptly report to ACS (i) all payments made to the undersigned by the debtor, (ii) bankruptcy or related notices received, and (iii) any and all communications received from the debtor or any third party in connection with or on behalf of the debtor;
- b. instruct the debtor to make all payments directly to ACS;

- c. to forward to ACS all payments received directly by the undersigned in respect of any debt placed with ACS (ACS will then remit the amount due client in accordance with the terms of this Agreement);
- d. once an account has been placed for collection with ACS, to stop all collection efforts on the account;
- e. provide copies of invoices, checks or statements that will verify the debt, if requested by the debtor or ACS as needed;
- f. the undersigned authorizes ACS to endorse in the name of the creditor and deposit in its account any and all remittances in any form payable or endorsed to the undersigned;

The undersigned client has the authority to close a claim at any time provided that Action Collection Services is not in the process of negotiating a settlement, pay-off or payment arrangements or the undersigned client or Action Collection Services is receiving payment from or on behalf of the debtor. In addition, a claim may not be closed if Action Collection Services is working with an attorney to litigate the claim.

The undersigned client will be contacted in advance for approval of any expenses that may need to be incurred to collect a claim. If Action Collection Services prepays any such additional expenses, the undersigned client agrees to promptly reimburse Action Collection Services for such expenses upon presentment with substantiating documentation. Action Collection Services may forward an account to an attorney if the undersigned client and Action Collection Services mutually agree that legal action is desirable in order to collect a claim. In such event, Action Collection Services will be entitled to receive its full collection fee from any funds collected.

4. Representations and Warranties. The undersigned client represents and warrants that it will provide ACS truthful and accurate information regarding the debt including any supporting documentation. The undersigned client acknowledges that ACS will rely exclusively on the information provided to it by the undersigned client without any obligation to conduct additional verification or investigation. The undersigned client agrees to indemnify and hold harmless ACS from any and claims of any nature, including attorney fees and costs of defense, arising out of inaccurate or incomplete information provide by the undersigned client. The undersigned client agrees to immediately cease all communication with the debtor. The undersigned client further represents and warrants that this claim is not currently being managed by another collection agency and/or attorney.

5. Disputes. In the event of a dispute and/or disagreement between you and ACS, the parties agree to act in good faith to find a mutually satisfactory solution. Any disputes relating to this Agreement and the subject matter hereof shall be interpreted in accordance with New York law.

Thank you for choosing Action Collection Services Inc. We believe that your faith in us will be warranted. We look forward to working with you to lower your receivables and your outstanding debt.

Please acknowledge your agreement with the foregoing by signing below.

Agreed and Accepted:

Date: _____

Name of Client:

By: _____

Name:

Title:

Client Information:

Business Name: _____

Contact Name: _____

Address: _____

Tax Identification Number: _____

Phone Number: _____

Fax Number: _____

Alternate Number: _____

Email Address: _____

Action Collection Services Inc.

By: _____

Name: Vickie Kupriyanov

Title: President