

THE CITY OF TERRELL, TX

REQUEST FOR PROPOSALS (RFP) NO. 01-2025

MUNICIPAL COURT COLLECTION SERVICES



Request for Proposals (RFP)

Due: April 17, 2025

Submitted to:

City of Terrell, TX
Office of the City Secretary
ATTN: Dawn Steil
Terrell City Hall
201 E. Nash St.
Terrell, TX 75160

Submitted by:

F.H. Cann & Associates, Inc.
1600 Domain Drive, Suite 3058
North Andover MA 01845
(877) 750-9801
RFP@fhcann.com

April 17, 2025
 Dawn Steil, City Secretary
 Office of the City Secretary
 Terrell City Hall
 201 E. Nash Street
 Terrell, Texas 75160

Subject: Request for Proposals (RFP) #01-2025 Municipal Court Collection Services

Dear Dawn Steil and City of Terrell Representatives:

F.H. Cann & Associates, Inc. (FHC) is enthusiastic to submit our offer to the City of Terrell (the City), in accordance with Solicitation 01-2025 Municipal Court Collection Services. For 25 years, FHC has provided full collection solutions for government agencies of all sizes, recovering billions of dollars in lost revenue. FHC is an industry leader in the collections space and has recently expanded our offerings to include contact center and Business Process Outsourcing (BPO) solutions for our clients.

FHC differentiates ourselves from our competitors by emphasizing long-term project success and building collaborative, trust-based partnerships. Our commitment to maximizing recoveries, minimizing complaints, and delivering exceptional customer service not only protects the reputation of clients like the City, but also ensures fair, respectful engagement with your defendants throughout the collection process.

FHC offers the following additional differentiators:

- **Decades of Collection Experience:** FHC has more than **25 years** of collection experience and has provided debt-collection services to more than 100 other government entities and 30+ municipalities. Our relevant experience includes collecting various debts for the Orange County Clerk of Courts in Orange County, Florida, the State of Delaware Division of Revenue, and the United States federal government—including the Department of Education, office of Federal Student Aid, and multiple statewide and university system contracts across the country.
- **Results-Driven Collections:** FHC delivers impressive recovery outcomes while ensuring your defendants are treated with dignity and respect. By understanding each individual's financial circumstances, our collectors educate defendants on payment options available through the City — whether paying in full or through manageable installment plans. This personalized, solution-oriented approach drives higher revenue recovery and increases defendant satisfaction.
- **Customized Collection Methodology for the City:** Our technology is customized to handle various debt types and workflows for different collection tiers. Our Customer Relationship Management (CRM) Artiva is collector friendly and highly configurable to streamline the collections process for all facets of the recoveries process. Artiva is so comprehensive and secure that it is also used by the United States Department of Treasury for their nationwide collection efforts.
- **Dedicated Team:** FHC provides the City with a dedicated team of collectors who specialize only in your collections — providing superior customer experience to defendants and further driving recoveries. We have the experience to upstaff quickly allowing for a successful and swift transition into services and collection of delinquent debts. All FHC staff are in the continental United States.
- **Industry-Leading Technology and Omnichannel Outreach:** FHC reaches your defendants via their preferred communication channels, increasing engagement and repayment. FHC adapts to make it as convenient as possible for them to satisfy their obligations through internet accessible payment portals, emails, texts, digital letter delivery, and chatbots.
- **Woman Business Enterprise (WBE):** FHC is WBE Certified in numerous states, including Texas.
- **ACA International Member/Blueprint QMS Certified:** Our Chief Compliance Officer (CCO) is certified by the ACA International as a Credit and Collections Compliance Officer, and FHC is Blueprint Quality Management System certified by ACA International. (Company Member Number A-13025982).
- **Licensed Firm:** FHC is licensed and bonded in all 50 states and U.S. territories as required.
- **No Data outside the U.S.:** All FHC activities are performed in the U.S.

Highlighting our commitment to quality and customer care, our vision is a collaborative partnership with the City that provides unparalleled, compliant customer service underscored by our commitment to **Focused, Holistic, Customer Care**. Thank you for the opportunity to submit our proposal.

I am the individual empowered and duly authorized to bind F.H. Cann & Associates, Inc. FHC acknowledges receipt of Amendments 1-3. Should you have any questions about our response, or the company, please feel free to contact me toll free at (877) 750-9801, rfp@fhcann.com, or directly at (978) 215-3602 and scann@fhcann.com.

Sincerely,



Sheri A. Cann
President/CEO

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ATTACHMENTS

A. Vendor Information Questionnaire	E. FHC Collection Training Manual
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1. EXECUTIVE SUMMARY

Provide an Executive Summary of the major features of the proposal, including any conclusions, assumptions, and general recommendations the Firm desires to make. In addition, provide the following information. The Executive Summary section is limited to a length of two (2) pages.



FHC is a proven collection, contact center, and Business Process Outsourcing (BPO) provider that specializes in government debt collection. We currently partner with various municipalities, states, the federal government, and other entities across the United States. FHC leverages our experience, technology, and infrastructure to assist millions of customers, and we have resolved \$1.5B in debt over the past five years. We are a privately held S corporation that began in Massachusetts as a small start-up in 1999 with one client and a handful of employees. As a certified Woman Business Enterprise (WBE), Owner and CEO, Sheri A. Cann has overseen the dramatic expansion of FHC since our foundation and champions FHC's core tenets: **Focused, Holistic, Customer Care.**

While headquartered in Massachusetts for the last 25 years, we have grown into a national leader in the

collections space with over 200 clients, 1,000 employees, and office locations in Texas, Massachusetts, and New Hampshire. Our explosive growth is a result of providing quality services, specializing in the government sector, and constantly investing in our employees and industry-leading technology. We offer collections on diverse types of debt ranging from court issued fees, fines, and judgements; credit card chargebacks, administrative penalties, returned check fees, administrative sanctions, delinquent taxes of all types, defaulted student loans, and other miscellaneous debt.

FHC's specialization in customer experience within the collections industry is evident through our quality performance on recent relevant contracts including Orange County Clerk of Courts in Orange County, Florida, U.S. Dept. of Education, Delaware Division of Revenue, Virginia Department of Taxation, Louisiana Department of Revenue, Virginia Department of Health, the States of Massachusetts, Rhode Island, & North Carolina, and dozens of municipalities across the nation. FHC is a team of collection industry professionals that offer industry best practices that drive emerging trends and superior service—all while maintaining compliance with local, state, and federal regulations. Because we recruit and retain a wide spectrum of talented people, our business has a large pool of collectors with a deep knowledge base of accounts receivable management, including court fines, fees, and judgements.

PROPOSED SOLUTION FEATURES The City is positioned to strengthen its municipal court collections through FHC's full-service, data-driven approach. We combine secure technology, respectful engagement, and proven account scoring techniques to help defendants understand their obligations and commit to payment through practical, sustainable solutions that support the City's recovery goals. Our process begins with a thorough data cleanse that improves contact accuracy and informs customized collection strategies, leading to more effective outreach, higher engagement, and improved recovery results for the City. To support the City's goals, our proposed solutions provide a clear framework for efficient, secure, and accountable municipal court collections, built to deliver transparency, responsiveness, and measurable results. They include the following:

Key Personnel and Executive Team – FHC's Key Personnel and Executive Team has over **200 years** of combined experience in the collections and call center industries. **Secure Data Transfer** – FHC accepts the City's account placements in your desired format, including Secure File Transfer Protocol (SFTP). You can also place accounts electronically using our Customer Care Portal. We accept account information electronically from all billing servicers. **Automated Collection Platform** – We use the Artiva collection platform as our Customer Relationship Management (CRM) solution to manage collection activities on all accounts. All outreach attempts including calls, letters, texts, and emails are stored at the account level in addition to letters, skip tracing, and other activities which are permanently logged on each account record. We have customized Artiva specifically for the collection of various debt types, including individual and business court debt. **Natively Integrated Telephony** – The Artiva

CRM is natively integrated with OmniVoice, FHC's telephony platform. Since telephony is integrated into our CRM, we can design complex outbound strategies using almost any data field in the system. Campaigns are easy to configure, and results easily tracked since the technology is completely integrated. This technology allows for swift call campaign configurations and real-time campaign performance monitoring to further drive recoveries over the competition. **Collection Methodology** – We customize our collection strategies and calling/letter campaigns based on the unique parameters of the City's account placements. **Omnichannel Digital Strategy** – We reach your defendants via their preferred communication channel including phone, mail, text, chatbot, email, and offer paperless digital letter delivery via text direct to your defendants' phone. They can opt out of any communication channel at any time. **Customer Care Portal** – The City has 24/7/365 access to our online Customer Care Portal where you can view account information, run reporting, and place or close accounts with FHC. Defendants have the same 24/7/365 access to the customer-facing version of the Customer Care Portal, where they can update demographic information (address, home telephone, etc.,) online at their convenience. **Reporting** – We provide a comprehensive suite of reporting options, available on FHC's Customer Care Portal, and create customized reports as requested. Our database analysts are fluent in SQL queries for custom and large dataset reporting. **Premium Skip Tracing** – We locate hard-to-find defendants using premium database vendors and intelligent business searches. **Daily Performance Monitoring** – FHC monitors performance on the City's portfolio through 20 KPIs and adjusts strategies when needed to enhance recoveries. **Compliance Management System** – Company-wide controls ensure we comply with federal, state, and local laws and regulations in all our collection activities. **Regulatory Updates** – FHC monitors all collections legislation and shares regulatory updates with the City. **Data Security** – Our information security and disaster recovery programs safeguard all data and ensure operational continuity. Because we partner with high profile private and government partners, FHC's data security has been reviewed and approved by the most stringent Information Security standards in the country.

Company name, business address, telephone number, and website, if applicable.

We are F.H. Cann & Associates, Inc. Our business address is 1600 Osgood Street, Suite 3058, North Andover, MA 01845. Telephone number is (877) 750-9801 and website is www.fhcann.com.

Year established (include former company names and year established, if applicable).

FHC was established in 1999.

The name of the project manager who will work on the contract and relevant project experience.

PROJECT MANAGER **Sara Alosa** is the City's designated Account/Project Manager. Sara provides strategic advice to the Executive Team while performing holistic oversight of the Client Services department to ensure standards of quality service and continuous improvement is performed. She has **28 years** of senior executive leadership experience in the collections life cycle and possesses expertise in program management, client relations, service excellence, operations, team leadership, and product development. She has extensive experience as the Account Manager for large-scale collections projects such as the U.S. Department of Education Private Collection Agency Contract, and Federal Student Aid NextGen BPO contract. As your Project Manager, Sara oversees, manages, and regulates the implementation and transition of the contract.

She utilizes her account management skills to steer the project's implementation and general direction. Sara enables consistent and effective communication, organizes activities, and oversees quality and risk management. Sara's qualifications/responsibilities for this opportunity include the following: **Ensuring** compliance with the terms and conditions of the contract including the security and confidentiality, completion of employee background checks, and execution of the City/FHC Contract and FHC Employee Compliance Agreements; **Managing/overseeing** all defined responsibilities in this RFP; **Creating and revising** schedules, reporting contract activities, identifying resource requirements well in advance, coordinating personnel resources, resolving issues, and facilitating service implementations; **Hosting** milestone meetings and additional meetings as necessary; **Reviewing and providing** feedback on all project deliverables; **Escalating** project issues, project risks, and other concerns; and **Coordinating** all account functions internally and with the City.

Verification that the proposed team individuals are currently employed by the firm.

Each member of your designated Client Services Team is employed by FHC. They are not contracted employees.

Confirmation that that the general liability insurance, workers' compensation, and professional liability insurance will be provided within ten (10) calendar days of the Contract Award.

FHC confirms that all above named insurance is provided within ten calendar days of Contract Award.

Brief statement providing assurances that the Firm will be cognizant of, comply with, and enforce all applicable Federal, State, and local laws, regulations, and ordinances, and a description of your firm's methodology for handling errors and omissions in the materials developed as part of this Project.

FHC assures that we will be cognizant of, comply with, and enforce all applicable Federal, State, and local laws, regulations, and ordinances. FHC has a comprehensive Compliance Management System (CMS), designed and managed by our two on-staff attorneys, which ensures adherence to all applicable rules, laws, and regulations regarding debt collections. To prevent material errors and omissions, FHC's Project Manager internally reviews all deliverables before supplying them to the City. Should FHC be made aware of an error or omission, it is immediately reviewed and remediated, with the corrected version being supplied to the City as soon as complete. FHC has a comprehensive Quality Assurance Team of 22 individuals that monitors calls and performs random sampling auditing to ensure Quality and Compliance on all work performed by FHC on behalf of the City. Additional information can be furnished upon request.

2. INFORMATION QUESTIONNAIRE

Please see **Attachment A: Vendor Information Questionnaire**.

3. PRICE PROPOSAL

Please see **Attachment B: Price Proposal Form**.

4. RELEVANT EXPERIENCE INFORMATION

Identification of the firm/team responding to the RFQ and a brief description of each firm/team member should be provided including a brief summary of their experience. Location of the headquarters office for the lead firm should be indicated, as well as the location of each lead firm/team member office where work will be performed for the project.

FHC KEY PERSONNEL To ensure strong performance and continuity, the City is supported by a stable leadership team with 25 years of experience in municipal collections. Each individual below plays a critical role in maintaining the strength and stability of the City's collections program.

Ernesto Bencosme, Senior Vice President of Operations: Ernesto is an accomplished, strategic, and growth-focused professional with **16 years** of experience in the collections industry. He maintains full accountability for the daily performance of multi-site collections operations, including personnel management, strategic planning, performance monitoring, process improvement, and forecasting. He is responsible for management and oversight of all collection's personnel. While managing employee performance and workflow, Ernesto oversees and helps retain personnel while managing FHC's coaching and counseling program for collectors to perform in accordance with policies and procedures. In addition, Ernesto manages the FHC's overall shrinkage and staffing solutions. His qualifications/responsibilities for this opportunity include: **Overseeing** the Operations and Workforce Management team; **Overseeing** the operational design, development, and project implementation activities; **Utilizing** FHC's project management processes to organize the project, manage teamwork, schedules, and reporting; and **Ensuring** all team members are training and performing to meet state defined policies, laws, and Regulations

James George, Collections Manager: James has over **10 years** of experience managing collection contracts. His skills include complete account resolution, problem solving, and debt collection services, which are key elements to the success of FHC's collection program. His experience makes him especially adept at resolving defendant disputes and educating them on their payment rights and privileges. James currently oversees all collection supervisors at FHC. He is certified by the Association of Credit and Collection Professionals (ACA) International as an expert in the following courses: **Essential collection skills** and techniques; **FDCPA Essentials** for the ARM industry with Reg F; **Building** high performing teams; **Successful hiring** strategies; **Effective** performance management; **Exceptional** leadership; **Introductory** to collection industry compliance; and **Managing** the collection floor.

Kate Jones, Director of Human Resources (HR): Kate brings 10+ years of senior HR leadership with extensive experience creating and implementing a recruitment and selection process (requisition approval, interview techniques, reference checks, at-will agreement, etc.) to improve candidate quality. She is an expert at short and long-term organizational development strategies such as performance management, learning and development, and organizational assessment. She leads our experienced HR Team in recruiting and hiring all personnel to support the City.

Lisa Reams, Training Manager: Lisa manages and oversees all training for FHC, including complex training courses required, where she teaches FHC trainees about the laws and regulations that impact collections and call center services.



Training for the City is consistent with this comprehensive, holistic approach. In addition, to the key personnel described above, FHC deploys the following dedicated positions to complete the City's required Scope of Work. **Dedicated Team:** The City's team also includes Collection Supervisors, Collectors; Quality Assurance (QA) Agents & Quality Management; IT Development; IT Security; Client Services Representative; and Payment Posting Remittance Team. Our staffing plan is refined during implementation to prepare for Go-Live when trained collectors begin working the City's accounts. We further refine our staffing model based off actual placements, complexity of the accounts placed, and percentage of accounts needing to be skip traced to locate a current home address and or phone.

FHC EXECUTIVE STAFF FHC's corporate departments are led by professionals who have a combined experience of more than 200 years leading successful teams in collections and contact center support. In addition to the table below, FHC's Executive Leadership Team (ELC) also includes Sara Alosa and Ernesto Bencosme named previously. FHC's entire Executive Team is engaged in deploying a highly successful program for the City and has been selected because they are results oriented, strategic thinkers, subject matter experts, critical problem solvers, team players, responsible, accountable, and bound to the FHC commitment to maintain our status as an industry leader. We have provided the departments they oversee and an overview of their accomplishments below. **Please see Attachment D for FHC Key Personnel Resumes.**

Table 1: Executive Team Key Personnel

Name / Title	Executive Team Bio
 Sheri A. Cann President / CEO	<p>Sheri is a visionary executive with 29 years of experience managing all levels of multiple projects, including operations, budgeting, and administration within the collections and contact center industry. Her expertise includes private sector and government contracting, regulatory affairs, continuous process improvement, and human resources. As President and CEO, Sheri evaluates corporate initiatives and advises on the impact of long-range planning. She is directly involved with the introduction of new programs and strategies to build the organization as well as client management, ensuring FHC provides the best service and results possible. She is a member of the U.S. Women's Chamber of Commerce.</p>
 Kara Cann-Benco sme COO	<p>Kara is a data driven and results-oriented executive, with more than 12 years of combined executive experience in Chief Operating Officer and Executive Vice President positions. As COO, she oversees multiple collections and call center divisions, including operations, business development, finance, human resources, and information technology. Kara is focused on continuous improvement in the company, building better processes and systems, increasing market share, and developing leadership within FHC. She directs, develops, and advises on a variety of commercial, consumer, and governmental clients. She earned a bachelor's degree in mathematics from Emmanuel College.</p>



**Michael
Beatty,
Esq.**

Chief
Compliance
Officer

Mike is a corporate attorney with 27 years of experience in contact center and collections with a background in corporate governance, regulatory compliance, and consumer litigation. He is a proactive leader who oversees the company's Compliance Management System and Quality Assurance Procedures and builds relationships within the company to ensure cohesion between operations, quality assurance, and compliance. Mike is a graduate of the University of Massachusetts at Boston and the New England School of Law and is certified by ACA International as a Credit and Collections Compliance Officer.



David has a proven 20-year collections and contact center track record of improving competitive performance through production management, staff development, strategy, and the use of technology. He has outstanding interpersonal, motivational, and presentation skills. He is analytical, articulate, and possesses a diligent work ethic. David manages the growth and development of managers and supervisors within the organization and executes goaled coaching and call assessments. David is adept at managing performance-based contracts to ensure FHC achieves top ranking among other agencies, driving market share and levels of success.



**Don
Ditemore**
Chief
Information
Officer

Don is an accomplished Information Technology (IT) executive with 24 years of success leading and managing mission-critical projects. He has broad expertise in developing IT architecture, from infrastructure and back-office software to consumer-facing applications. He is skilled in infrastructure design/operation with on-premises, hosted, colocation, and AWS (Amazon Web Services) cloud implementations, including migration of existing applications and architecting of new systems. Don earned a bachelor's degree from George Mason University.



**Jeffrey
Murphy**
VP of
Development

As the Vice President (VP) of Development, **Jeff** plans, directs, coordinates, and oversees activities in the Engineering and Development department, ensuring the development and implementation of efficient operations and cost-effective systems to meet the current and future needs of the company. He has more than 25 years of broad experience with a strong emphasis on innovation, systems development, and integration within the collections space. As the VP of Development, Jeff provides leadership and direction for the maturation of products and services. His team offers compliant technical solutions to an ever-changing landscape while keeping abreast of the latest technology and trends to enhance defendant experience.



**Pann
Koutsogkilas**
Chief Financial
Officer

Pann is a skilled financial professional, with more than 15 years of experience in financial and predictive modeling, analysis, corporate accounting, and reporting. He is a strategy expert with a long track record in process re-engineering and operational efficiency improvements. He has responsibility for the planning, implementation, managing, and running of all FHC finance activities, including business planning, budgeting, forecasting, and negotiations. Pann graduated with a master's degree in finance from Pepperdine University and was an adjunct finance professor at UCLA extension.

LOCATIONS

Our Massachusetts Headquarters located at 1600 Osgood Street, Suite 3058, North Andover, MA 01845 is the main location responsible for the City's collection services. FHC's compliance and call monitoring takes place at our Exeter, NH location

located at 100 Domain Drive, Suite 200, Exeter, NH 03833. Our Texas Office, located at 7550 W. Interstate 10, San Antonio, TX 78229, further augments our staff and provides the City and defendants with a local presence.

Describe your firm's experience in providing municipal court collection services for Texas municipal courts of a similar scope within the past five (5) years. Provide the agency name, contact person, telephone number, and description of services.

GOVERNMENT COLLECTIONS EXPERIENCE Since 1999, FHC has provided collection services for courts and other government entities across Texas and throughout the U.S. FHC has extensive experience delivering compliant, effective recovery solutions for multiple municipalities, supporting efforts to resolve delinquent cases, reduce case backlogs, and increase defendant compliance with court appearances and payments —consistent with the goals outlined in your RFP. **Our average liquidation rate across all municipal clients is 39%, reflecting our ability to drive meaningful results.** We detail selected municipality recovery rates in the following table.

Table 2: FHC'S Liquidation Rate for Municipal Clients

Municipality	Recovery Rate	Municipality	Recovery Rate
Rowley	73.50%	Medford	46.70%
Westford	64.20%	West Springfield	43.20%
Lee	63.30%	Westborough	41.90%
Dracut	58.80%	Somerset	37.70%
Springfield	56.80%	Stoughton	36.80%
Richmond	56.10%	Rochester	36.20%
Woburn	52.90%	Shirley	25.00%

Following are projects for which FHC has performed collection services for clients similar to or greater in scope and size.

The name of the project: Orange County Clerk of Courts

The client's name and contact information: Orange County Clerk of Courts, Melissa Geist, Director of Court Operations
Phone: 407-836-2201 | **Email:** Melissa.Geist@myorangelclerk.com

A brief description of the project scope: In 2023 FHC was awarded the Collection Services contract by the Financial Services Division of the Orange County Clerk of Courts. We currently support a hybrid model as some collectors work remote and others are onsite at the Orange County Court Headquarters. Our collectors support collection efforts, set up payment plans, coordinate with the Court to reinstate licenses, and direct customers to the Courts Self Help Center and other community outreach programs. Orange County first placed accounts with FHC in mid-October 2024. We currently handle 18,381 accounts for Orange County with a placement value of \$17.1M and an average balance of \$791. In addition to performing our full suite of collection services for the County, FHC also provides two on-site collectors for Orange County to assist with walk-in payments, in person consultations, and walk-in payment accounting services in addition to performing outbound campaigns and comprehensive skip tracing. FHC has an armored car service that picks up the deposits daily. The accounts placed consist of criminal fines and their related court costs as well as traffic fines and court costs. The Court's overall Criminal Case outstanding balance is **\$509M**, and the Traffic Case outstanding balance is **\$196M**.

The name of the project: Private Collection Agency (PCA)

The client's name and contact information: U.S. Department of Education, Mark Benson, Contracting Manager **Phone:** 404-974-9261 | **Email:** Mark.Benson@ed.gov

A brief description of the project scope: FHC provided default recovery services, and all associated back-office processing for U.S. Department of Education Contract from 2016-2021. The scope of work performed included defaulted loan resolution, customer outreach involving skip tracing, third-party interaction, customer service, customer counseling on repayment options, counseling on the consequences of default such as administrative wage garnishment (AWG) and the Treasury Offset Program (TOP), and its functions within ED's collection system of record. To support this large-scale federal collection project, FHC quickly and efficiently ramped up to accommodate staffing needs, established and implemented policies, procedures, training material, and quality control plans to ensure compliance with all relevant guidelines, Applicable Laws, and regulations. We established and tested the information security controls and disaster

recovery/business resumption plans required to obtain an Authorize to Operate (ATO) from FSA and satisfy FSA reporting requirements. An average of **31,761** accounts were placed **each month**. To facilitate file exchanges FHC used a dedicated circuit for SFTP transfers, Direct Connect for an additional layer of file transfer security, and access to the Department's Debt Management and Collections System (DMCS) for our collectors. From fiscal year (FY) 2016 through FY 2021, FHC resolved **\$3.2B** owed to ED. During FY 2021 FHC resolved a total debt amount of **\$967M**. Our closest competitor recovered \$812M. FHC out collected the competition by \$155M. Most other PCAs recovered between \$500M-\$700M in FY 2021 PCA.

The name of the project: Navy Federal Credit Union

The client's name and contact information: Navy Federal Credit Union, Jason A. Thomas, External Vendor Recoveries Manager **Phone:** 937-750-2796 | **Email:** Jason_A_Thomas@navyfederal.org

A brief description of the project scope: Since 2022, FHC has provided collections services to Navy Federal Credit Union. FHC was first awarded 3rd placement accounts. FHC exceeded forecasted recoveries by Navy Federal by **150%**. Due to FHC's performance, Navy Federal began placing additional placement levels, and increased market share on 2nd and 3rd placements. Navy Federal subsequently awarded FHC 1st placements. FHC onboarded an additional 20 agents for first placement accounts and 20-30 agents for 2nd and 3rd placements. FHC provides Navy Federal with a weekly performance report inclusive of the following KPIs and operational metrics: BOM forecast, MTD forecast, forecast variances, number of payments, average payment size, penetration rates, RPC rates, conversion rates, staffing metrics (tenure/turnover) agent case counts and weekly updates on collection efforts and strategies. We recently scored an aggregate **90.82%** for overall satisfaction by Navy Federal. Our closest competitor score was 76.97%, with subsequent scores of 74.07% and 61.08%.

The name of the project: Intuit QuickBooks Capital

The client's name and contact information: Intuit QuickBooks Capital, Jon Costa, Senior Collections Program Manager **Phone:** 925-812-3740 | **Email:** jon_costa@intuit.com

A brief description of the project scope: FHC recently onboarding QuickBooks Capital/Intuit in 2024. Currently, FHC collects on a portfolio of **2,315** placed accounts with an average balance of **\$9,419** totaling **\$21.8M** in delinquent accounts receivable. QuickBooks places loans, QuickBooks lines of credit, and delinquent cash drawers. Customers can owe multiple products at the same time, and FHC collectors need to counsel customers on the different debt types and their various repayment terms (9/12/18/24 monthly payments) with limits up to \$200k for loans and \$50k for lines of credit. QuickBooks allows multiple lines of credit to finance multiple invoices at any time up to their credit limit. Each of these lines of credit are treated as a separate loan. Average repayment term is 13 months.

Provide a list of new clients with whom you have contracted in the last five (5) years. Provide length of service, types of services provided, collection rate, and collection statistics for each of the first three (3) years for each new client listed. List this information on a per year basis, not an averaging of the three (3) years.

FHC has onboarded the following clients in the last five years. **All clients receive FHC's full skip-tracing methodology:**

Client Name: Orange County Clerk of Courts **Length of Service:** 1 yr **Yr. 1 Col. Rate:** 3.05% **Yr. 2/3 Col. Rate** N/A

Client Name: Navy Federal Credit Union **Length of Service:** 2 yrs. **Yr. 1 Col. Rate:** 13.8% **Yr. 2 Col. Rate** 21.1%

Client Name: PNC Bank **Length of Service:** 5 yrs. **Yr. 1 Col. Rate:** 16.7% **Yr. 2 Col. Rate** 26.3% **Yr. 3 Col. Rate:** 27.5%

Client Name: EastRise Credit Union **Length of Service:** 4 yrs. **Yr. 1 Col. Rate:** 8.57% **Yr. 2 Col. Rate** 58.9% **Yr. 3 Col. Rate:** 47.4%

Client Name: City of Woburn **Length of Service:** 5 yrs. **Yr. 1 Col. Rate:** 32.6% **Yr. 2 Col. Rate** 34.1% **Yr. 3 Col. Rate:** 59.4%

Client Name: Univ. of California at Berkley **Length of Service:** 4 yrs. **Yr. 1 Col. Rate** 54.7% **Yr. 2 Col. Rate** 80.1% **Yr. 3 Col. Rate:** 57.3%

Provide current workload and flexibility of scheduling, size of collection staff, and location where work/research will primarily be performed.

FHC has over \$1B in assigned collections inventory. We currently have approximately 1,000 employees. Work is performed primarily at our North Andover, MA location, but FHC also employs remote collectors. We only use remote collectors for the City if approved by you. We also have additional capacity to upscale in our Exeter, NH location.

Provide a list of courts that have terminated or failed to renew a collections contract with your company within the last five (5) years.

Not applicable.

5. DATA SECURITY SYSTEMS AND COLLECTION PROCEDURES

Provide a complete description of your firm's data security system in place to ensure confidentiality of records

Our robust Information Technology and Information Security Teams consists of **23 full-time employees** who support FHC's Engineering, Development, Desktop Support, and Information Security activities. **Our Chief Information Officer, Don Dittemore**, leads this team, overseeing information security and security risks and monitoring compliance to all security policies and procedures to ensure the safety of all client and FHC data. Additionally, Don leads the management and resolution of all technical elements that are utilized for the collections floor. He works with the Project Manager and our CCO to provide the City with necessary reporting on any FHC systems utilized for collections. Over the life of the contract, the IT and Information Security Team will implement and maintain compliance following FHC and the City's technology and security requirements. **Ongoing key qualifications and responsibilities include:** **Updating** and implementing an organization-wide security program, overseeing the Secure System Lifecycle; **Updating and maintaining** policies and procedures for screening personnel; **Implementing** system integration, including mapping of file and data layouts; **Monitoring and tracking** all PII and data provided by the City; **Overseeing** performance of IT Security Risk Assessments including SOC, NIST, and other external auditors; **Performing** vulnerability scanning, continuous monitoring, and penetration testing of the FHC Environment; **Updating** security awareness training through our HRIS for all employees, providing updates to the City's specific security training only to collectors working on The City accounts; Controlling access to collectors on City accounts, including adding any management privileges or disabling accounts; **Maintaining** testing environments prior to use and roll out to production; **Managing** change control processes, reviewing, approving, or disapproving changes; **Updating and maintaining** the inventory of system assets; and **Maintaining and testing** FHC's Business Contingency Plan and Disaster Recovery Plan. Additional key capabilities of our IT Team include the ability to interface and integrate with client systems, troubleshooting user issues via our helpdesk, identifying and communicating any system connectivity issues, where the root cause originates, ability to learn and train on new software solutions, and most importantly, the ability to make recommendations to constantly improve the future state of the collection floor so that defendants continue to experience best-in-class customer service driven by innovative technology solutions.

DATA SECURITY CERTIFICATIONS AND ASSESSMENTS FHC maintains compliance with, and is externally assessed against, the FISMA NIST 800-53 rev 5 framework. As such, FHC provides The City with one of the most secure solutions in the industry. **FISMA / NIST Certification:** FISMA has over 1000 controls based on the highly regarded National Institute of Standards (NIST) 800-53, which requires constant monitoring and periodic independent assessments. **SOC 1 Type II and Soc 2 Type II Certification:** The primary purpose of a SOC 2 Type II and SOC 1 Type II report is to provide an independent assessment of FHC internal controls. FHC's SOC 1 Type II assessment covers internal controls in the areas of risk management, logical access, change management, data security, and data availability. The report includes a description of the controls, the tests performed to assess them, the results of these tests, and an overall opinion on the design and operational effectiveness of the same. FHC first achieved SOC 1 Type II certification in 2018 and has maintained it through annual assessments since. The FHC SOC 1 report examination is performed by an independent third-party auditor per the Statement on Standards for Attestation Engagements (SSAE) 18. FHC completed our third-party SOC 2 Type II assessment in 2024, and will annually thereafter, in alignment with our SOC 1 Type II reporting period. **STIGs:** FHC complies with Defense Information Systems Agency (DISA) Security Technical Implementation Guides (STIGs). These guidelines are the most stringent in the country and provide guidance by the United States Department of Defense on hardening systems against cybersecurity attacks. **IRS Pub 1075:** FHC complies with IRS Pub 1075 to ensure the continued privacy and security of Federal Taxpayer Information (FTI). FHC extends these protections to our clients responsible for the privacy and security of defendant information. Significant portions of IRS Pub 1075 are achieved through FHC's compliance with NIST SP800-53 and additional clients, and IRS controls are layered into the security program as necessary and required. **NIST CSF:** FHC includes the NIST Cybersecurity Framework (CSF) as a component of our information security program. The NIST CSF integrates industry standards and best practices using a common language to facilitate a shared understanding of cybersecurity risk. NIST CSF was developed in collaboration

with both private-sector and government subject matter experts. The framework includes understanding and managing risks and threats, including the five core functions of **Identify, Protect, Detect, Respond, and Recover**.

FHC'S INFORMATION SECURITY REGULATIONS FHC's approach to the management of information security is based on the foundational elements of the information our systems store, process, or transmit and where that information originates. **No City or defendant information will be stored on collector workstations.** FHC has identified the following types of impacting information. Non-Public Information (NPI); Personal Information (PI); Personally Identifiable Information (PII); Federal Taxpayer Information (FTI); Protected Health Information (PHI); Covered Data and Information (CDI); Sensitive Personally Identifiable Information (SPII); Payment Card Information (PCI); Controlled Unclassified Information (CUI). FHC's governance-based information security program protects the confidentiality, integrity, and availability of the data stored on, processed by, or transmitted by our systems based on the types of information identified above. FHC designed and implemented the information security program based on the following laws, regulations, and standards **Regulations:** Telephone Consumer Protection Act (TCPA); Federal Information Security Modernization Act (FISMA); Family Educational Rights and Privacy Act (FERPA); Health Insurance Portability and Protection Act (HIPAA); Graham-Leach-Bliley Act (GLBA); Privacy Act; Executive Order 14028 on Cybersecurity; Consumer Financial Protection Act. **Standards:** Americans with Disabilities Act (ADA); NIST SP800-53; NIST 800-88; Payment Card Industry – Data Security Standard (PCI-DSS); Internal Revenue Service Publication 1075 (IRS PUB 1075); HITRUST; Cloud Controls Matrix (CCM); International Organization for Standardization 27002 (ISO 27002); System and Organizational Controls (SOC) 1; System and Organizational Controls (SOC) 2; and NIST Cybersecurity Framework (NIST CSF). The resulting information security management framework derived from the aggregated laws, regulations, and standards served as the sources for FHC's Information Security Program.

FHC'S INFORMATION SECURITY PROGRAM FHC's stringent Information Security Program safeguards all confidential data on our systems in adherence with the Federal Information Security Management Act (FISMA). Security controls apply to all forms of NPI, PII, and PHI, including paper, oral, and electronic. The program: Ensures the confidentiality, integrity, and availability of all defendant information; Detects and safeguards against anticipated threats to the security of the information; and Protects against anticipated impermissible uses or disclosures All sensitive data is on a protected network segment, with firewall Access Control Lists (ACLs) built up from the default deny-all, allow by exception principle. Internet-facing services reside in a DMZ. Sensitive data is encrypted at rest in file systems via AES 256 bit encryption. Transmission of sensitive information across public networks is permitted only with transport-level security (TLS 1.2), Secure FTP (SFTP), or IPSEC VPN tunnels. Inbound and outbound email is inspected by M365 Exchange Online Protection for spam, malware, and other known threats. Additionally, outbound email is inspected by M365 Compliance for Data Loss Prevention through 18 separate policies. Our servers are protected by enterprise class firewalls, and scans are performed weekly of our entire infrastructure using Tenable Nessus to ensure that any vulnerabilities not addressed in our patch management program are quickly found and remediated. Access to our systems is restricted to specific individuals, whose access is monitored and audited for compliance. Authorization for access begins with our HRIS system of record and is provided in the principle of least privilege. Each employee is assigned an account by our automated access control system which assigns entitlements based on the user's department and division. Changes in departments within our HRIS trigger automated workflows to remove entitlements no longer necessary and add those that are newly needed. Terminations within the HRIS trigger accounts to be stripped and disabled within 15 minutes with no human intervention necessary. Multi-factor authentication to our network is provided by RSA tokens. IAL3 compliant PIV-I cards are used to further secure sessions by privileged users. Additionally, FHC has deployed a Network Access Control (NAC) system to validate not only that the user has appropriate credentials to access the network, but that the device being used was issued by FHC and is patched to current levels with up-to-date anti-virus definitions. Employees are prohibited from using cellular phones in the office. Quality Assurance performs regular Clean Desk Checks.

We have been granted multiple Authorizations to Operate (ATO) from the federal government, which attests to compliance with the Federal Information Security Management Act (FISMA), National Institute of Standards and Technology (NIST) 800-53, Gramm-Leach-Bliley Act (GLBA), as well as applicable state regulations. Additionally, FHC performs annual assessments against NIST 800-53, SOC 1 Type II and SOC 2 Type II, performed by an independent third party. Among other criteria, this confirms our internal controls in risk management, logical access, change management, data security, and data availability.

PHYSICAL SECURITY Badging Human Resources personnel develop, approve, and maintain a list of individuals with authorized access to the FHC facilities. Facilities personnel issue authorized credentials for facility access for users as instructed by Human Resources. Employees have a photo on their badge to aid in confirmation by other employees. Any new unused

badge is stored in the Facilities area in a locked overhead bin. Photo ID badges are inactive until assigned to an individual's security authorization profile in the security system. Information Technology (IT) Risk Management performs a quarterly review of badge activation and deactivation reconciliation against employee statuses. **Visitor Access:** The FHC Primary Visitor control log is maintained at the main entrance of each facility. Government issued photo ID is required for any visitors. Visitors must always be escorted when in the facility by an authorized employee. All public areas are monitored by camera, and recordings are kept for a minimum of three months. Remote monitored alarm systems are in use at each location. **Network Closets:** Controlled access to all internal wiring closets and the secured data center is granted only to authorized personnel by role-based badge access. Personnel not having the appropriate security clearance, but who require occasional or temporary access to internal wiring closets and the secured data center, have to sign in to this area on a control log, be escorted, and monitored continuously by appropriately cleared personnel. **Zones for Staff Pending Clearances:** Newly hired employees pending security clearance adjudication do not have physical security system badge access to secured areas within the facility. These employees have physical security system badge access to ingress/egress employee entrance doors, the café, and hallways leading to the training facility only.

Provide information supporting your firm's ability to interface with court software for data exchanges.

To support the City's requirement to interface with Tyler Technologies', FHC provides the necessary software and assumes all costs for establishing a secure, seamless integration. With more than 25 years of experience, our IT Team has created and implemented interfaces with various municipal, county, court, state, federal, and financial reporting systems to support the collection and reporting of recoveries. In the past year alone, we built interfaces for dozens of clients, each tailored to the unique needs of the project. This deep background equips us with the technical expertise and problem-solving ability to adapt quickly and efficiently to new systems.

For example, last year our team played a key role in assisting the Delaware Division of Revenue integrate and implement their new collections software program (IRAS)—resolving file layout bugs, payment posting concerns, new reporting, and other advanced troubleshooting needs. Based on this experience, we develop an interface for the City's Tyler Technologies' system that supports file transfers and electronic updates to defendants' contact detail—including address, phone number, and email—for file upload into the Court's system. Whether through secure SFTP file transfers, site-to-site VPNs for manual entry, or real-time APIs, we tailor the method of data exchange to align with your system's requirements. Our IT Team also maintains strict confidentiality of all defendants' contact information exchanged through the interface, allowing FHC to obtain notification of warrant events to defendants as requested by the Court.

Describe your firm's software and other technology utilized in location of defendants and abilities to communicate with the court.

SKIP TRACING METHODOLOGY Upon placement, we process accounts through our proprietary Skip Trace Waterfall, a tiered system using a variety of automated tools to obtain or validate defendant location and demographic information. The waterfall is designed to collect the most updated information, through batch processing at calculated times, to provide an ongoing flow of new and updated information. We track demographic updates in our collection system and then report them to the City. The waterfall uses TransUnion demographic and propensity to pay scores, followed by a LexisNexis Payment Score, and LexisNexis standard batch returns showing the defendant's most recent home address, home telephone/landline number, cell phone(s), and latest reported POE. We automatically perform a complete validation of the defendant's address information against the U.S. Postal Service database, including confirmation of the street name, correct spelling, and zip code. Any mail that is returned as undeliverable is scheduled for skip tracing.

As part of our collection methodology, we employ the following skip tracing procedures: If our collection staff have been unable to contact the defendant or verify employment, we can perform batch scrubs using The Work Number for employment hits. If still unsuccessful in locating a defendant and/or their employer, we may engage additional skip tracing vendors such as VeriFacts and RNN for larger balance accounts, who specialize in obtaining employment information.

For accounts with an accurate address but no telephone number(s), we perform multiple skip trace efforts to obtain a phone number and attempt to contact any references or relatives of the defendant. For accounts with an inaccurate address, we attempt to contact references or relatives, other sources of location (nearbys/neighbors, internet search, and POE) and perform a search of the National Change of Address (NCOA) system. Collectors have access to paid searches such as LexisNexis, The Work Number by Equifax, and Experian Metro Net while attempting to locate defendants.

The following is a non-exhaustive list of permitted tools for skip tracing purposes: Secretary of State's Office to ascertain business registration and principal officers' contact information, Postal Trace, Electronic Directory Assistance, National

Directory Assistance, National Change of Address, LexisNexis Accurint batch and manual skip tracing, Experian Metronet, The Work Number, RNN, Verifacts, References and/or other liable party contact attempts (when applicable and available), nearby searches, voter registration, tax assessor, professional associations and Smart internet searches/social media.

Some of the features of Accurint include: **People Search:** Locates neighbors, associates, and possible relatives.

People at Work: Links more than 132 million individuals to businesses and includes information such as business addresses, phone numbers, and possible dates of employment.

RelavintTM: Visually links individuals with businesses, addresses, relatives, and vehicles.

Advanced Person Search: Helps find individuals when only old or fragmented data is available. These products have been utilized successfully in FHC's approach to skip tracing and converting good contact information into dollars recovered and implement this effective skip tracing and account scoring approach to accounts placed by the City. While FHC uses a data-driven prioritization model to strategically allocate resources and maximize recoveries, every account receives the same level of compliant, high-quality effort. No account is deprioritized to the extent that it does not receive consistent follow-up or full coverage under our collection strategy. All accounts—regardless of balance, age, or score—are worked through our complete collections process, which includes timely outreach, accurate documentation, and adherence to all client and regulatory standards.

After conducting a detailed inventory analysis and segmentation, FHC determines the appropriate level of effort for each account using a variety of performance indicators. This begins with a review of historical performance data provided by the client, specifically related to account types and past liquidation trends. FHC then considers additional variables such as balance, delinquency age, prior contact attempts, and payment history. In partnership with the City, FHC analyzes historical liquidation results to identify trends and develop best practices for account prioritization.

This approach is further enhanced by FHC's proprietary scoring models, which evaluate propensity to pay, payment behavior, and historical payer status. Accounts are segmented into deciles—ranking from most to least likely to pay—with top-tier accounts receiving enhanced manual work and skip tracing, particularly when balances are higher. While prioritization improves efficiency and recovery outcomes, it does not compromise quality. FHC guarantees that all accounts are worked thoroughly and professionally, using consistent standards of performance, compliance, and defendant engagement. This balance between strategic focus and equal treatment is fundamental to our operations and key to our success.

Provide a copy of your current collections policy and procedure manual.

Please see **Attachment E: FHC Collection Training Manual.**

6. PROPOSED PROJECT SCHEDULE AND APPROACH

Outline, in detail, the tasks your firm will perform to produce information and services requested in this RFP.

FULL-SERVICE COLLECTION PROGRAM Secure Collection Platform FHC uses an enterprise workflow automation collection platform called Artiva by Finvi. All account records the City places with FHC are managed and maintained in Artiva. Designed for complex workflows, Artiva provides FHC with the ability to design intelligent treatment strategies to meet the City's requirements for residential and commercial debt while maximizing recoveries. Client segmentation permits only collectors assigned to the City to view accounts. We use Automatic Number Identification (ANI) to screen pop accounts to our collectors, and skills-based routing to connect defendants with the collector best suited to resolve the debt, including skills such as resolution rate, areas of expertise, and language requirements. Account record displays include a reminder of the regulations specific to the state where the defendant resides. We further segment accounts based off initial scrubs for death, bankruptcy, and litigious defendants, followed by propensity to pay scores to allow collector efforts to be spent on those most likely to resolve their debt with the City.

Each account record contains account updates, location information, contact attempts, letters sent, skip tracing results, collector notes from conversations with the defendant, details of payment arrangements, payment information, employer information, asset updates, account status, reconciliation updates, account issues/complaints, media requests, and other specific City requirements. If documentation is received from a defendant, it is scanned directly to the account record. Artiva account records are available to be audited by the City during normal business hours.

FHC does not destroy any of the records or documents relating to the City accounts until we receive written permission from the City. Artiva RM delivers a client scorecard that includes payment volumes, revenue performance, productivity measures, and quality reviews. The system operates within our primary, on-premise server and network infrastructure, with a secondary failover data center for disaster recovery and business continuity. Artiva operates in a Microsoft Windows environment and uses VMware for server virtualization and HP Nimble for Storage Area Network (SAN), which provides scale-out capability

to increase our operating capacity by a factor of 10 with little lead time or risk.

OmniVoice: FHC uses the telecommunications system OmniVoice, integrated with our Artiva collection system, to maximize right party contacts (RPCs) and collector productivity while ensuring calling times and frequency are conducted in compliance with Applicable Laws. The dialer provides the greatest penetration of contacts in the least amount of time by eliminating the delay involved with manually dialing, connecting, and waiting for a response. OmniVoice offers customizable IVR functionality, can screen-pop a debtor's account

record if the phone number matches the one on file, and offers skills-based routing and overflow

groups so that all calls are answered timely and directed to the collectors who are best capable of assisting the defendant. We base call campaigns on multiple factors to: maximize and vary prime-time calls (mornings and evenings), reschedule no-answers, schedule collector follow up, schedule follow-up calls for broken promises or payment arrangements, and target campaigns broken out by debt types, account score, and balance size. FHC's collection methodology is broken down into the following major components:

Account Placements We accept all unpaid accounts that the City refers. We typically accept placement files via Secure File Transfer Protocol (SFTP) but can also accept and provide files in a Word, Excel, XML with XSD, single-record tab delimited flat file, or multi-record tab delimited flat file format. FHC also supports placements using our secure Customer Care Portal to upload accounts and via encrypted email. We accept all the City placements regardless of debt type, age, or amount. All accounts receive our full-service collections approach regardless of debt type, age, and amount of debt.

Acknowledgment of Placements Received FHC sends an acknowledgment email to the City confirming the file transfer within one business day of receipt. Each new placement file undergoes a quality check to ensure the data transferred correctly and that the file is not corrupt.

Typical Account Collection Efforts Preliminary Data Cleanse FHC utilizes many treatment strategies and tools once we receive defendant data. FHC's preliminary data cleanse ensures we have the most current contact demographics on file. This process enables FHC to penetrate accounts efficiently and reduces returned mail, saving time and money. The data cleanse process also identifies cell phone numbers; FHC flags the cell phone number on the account to ensure we comply with the TCPA when placing calls to the defendant. Our approach includes processing an initial scrub for Bankruptcy, Deceased, SCRA defendants, litigious defendants, and Office of Foreign Asset Control (OFAC) defendants. These defendants are segmented out from the general population and addressed accordingly. In adherence to Regulation F, FHC also scrubs cell phone numbers using the FCC's reassigned numbers database to ensure each number is still assigned to the defendant. This scrub notifies our system and updates our telephony platform with the change.



Figure 1: FHC's Collections Process

Account Scoring and Propensity to Pay Indicators To efficiently penetrate each new file, FHC uses TransUnion Collector's Prioritization Engine (TUCPE) if the debt type permits. FHC does not release defendant information to any credit bureau, credit agency, or a third party without full compliance with all Applicable Laws and written approval from the City. TUCPE helps us identify defendants with the highest propensity to pay before we have sent the first letter or placed an initial call. This tool uses up to **180** different credit attributes to determine a defendant's ability or inability to pay. Upon receiving this customized score for the defendant, we also receive demographic updates such as an address, home phone, and place of employment (POE). TransUnion offers an alternate method of account scoring that does not leave a soft inquiry credit footprint for accounts where the TUCPE report cannot be pulled.

Once our TUCPE scores are returned we apply a secondary score that is derived from Lexis Nexis called LN Batch. With LN Batch, we receive the most likely address for a defendant, up to three phone numbers listed in order of probability of contacting the defendant, and another propensity to pay score. We also use an Artificial Intelligence scoring model, Parity, that dynamically scores accounts and provides a propensity to pay score that is updated weekly based on the success and data fields

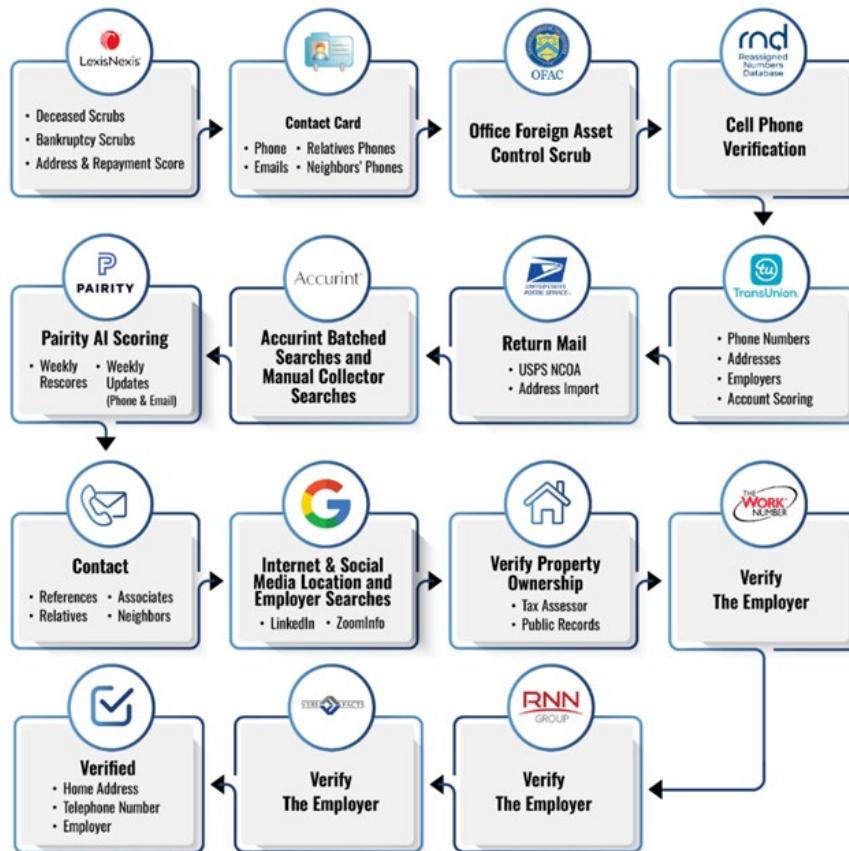


Figure 2: Skip Trace Waterfall

accounts on a weekly basis. We monitor our outbound campaign results daily to make changes that maximize recoveries for the City.

Contacting the Defendant: Calls, Letters, and Digital Efforts FHC's communications strategy reaches defendants via their preferred communication channels, driving recoveries, and customer satisfaction levels. We use both traditional and digital delivery methods for these purposes. FHC provides a sample template of all telephone, electronic, conversation transcripts, and correspondence that will be utilized to make defendant contacts on behalf of the City for review, understanding that edits may be requested by the Court if necessary.

of other accounts brought into repayment. Parity also provides updates addresses and telephone numbers for defendants weekly. Once the data cleanse/scoring process is complete, we load all updated files into Artiva. Concurrently, accounts are distributed to our collection staff based on account score and the collector's tenure, experience, and ability to convert RPCs into dollars recovered.

Skip Tracing Upon placement, we process accounts through our proprietary Skip Trace Waterfall, a tiered system using a variety of automated tools to obtain or validate defendant location and demographic information, individuals with businesses, addresses, relatives, and vehicles. **Prioritization** FHC utilizes multiple scoring models as discussed previously to determine the best prioritization of accounts. FHC's scoring models are based on propensity to pay, payment score, and historical payers. As we continue to perform outbound outreach, Parity continues to

gather data from accounts that have been converted into payers and dynamically rescores

Initial Demand Letter: This letter is sent within 24 hours of confirmed RPC. This includes fresh account placements and backlog. The letter informs the defendant that the account has been assigned to FHC by the City, provides balance and payment information and informs the defendant they have 30 days to dispute the debt.

Initial Phone Call: Our collectors begin placing phone calls to defendants within 48 hours of account placement. All calls are made in compliance with Applicable Laws and regulations. When a defendant is reached, the collector's priority is to collect the full balance. **Second Demand Letter:** A second demand letter is sent if needed after the initial demand letter if the account remains unresolved, without a payment plan established. This notice explains to the defendant why satisfying their obligation to the City would be to their benefit and the remedies available to the City including litigation and judgement remedies.

Continued Phone Calls: Continued phone attempts are made if we have not established a repayment plan on the account. We contact all accounts in accordance with the "seven in seven" Regulation F that limits contact attempts to seven in a rolling seven day period, and this is the upper bound for contact frequency for all case types referred. To penetrate the greatest number of accounts, we place calls at various times of the day and evening, in compliance with FDCPA and state law mandates. **Additional Letters:** FHC sends any additional letters as required by Applicable Law or as directed by the City. **Collection Letters** We ask your team to review and approve all letters during contract implementation. **Please see Attachment F for FHC's Sample Letters & Communication Methods.**

All FHC collection letters are created by our CCO in accordance with the Collection Notice Review (CNR) guidelines established by ACA International, a certification program designed for attorneys specializing and properly trained in debt collection. Letters contain FHC's toll-free number and email address for defendants to ask questions and negotiate repayment. Defendants can easily look up their current account status and request an update to their demographic information. Demographic information updates are reviewed and modified by authorized FHC personnel to ensure data integrity. Should FHC receive correspondence from a defendant in electronic format, such correspondence is forwarded to the City via SFTP upload.

Outbound Campaigns After receiving account placements, performing a data cleanse, importing skip tracing hits, and scoring accounts, FHC begins outbound outreach to contact the City defendants using Artiva. Our manually initiated campaigns are efficient and TCPA compliant. Because the telephony platform is natively bundled with Artiva, we can create custom outbound campaigns using virtually any data field that appears on the account. Examples include, but are not limited to, client ID, account status, account phase, last date dialed, defendant's state of residence, assigned collector, account balance, and propensity to pay scores. FHC will notify defendants of warrant events as requested by the Court.

Inbound Calls: As a call between a collector and a defendant is connected, Artiva displays the account record. During the conversation with the defendant, the collector can review financial information, previous contact attempts, payment history, details of payment arrangements, and when collection letters were sent. Skills-based routing is used to route inbound calls for some of the following purposes: Route high-balance accounts to most successful, tenured collectors, determine if the account holder prefers to speak in a language aside from English, and route accounts to different sub-groups based on account status (ex: if payments are on file vs. first contact).

Ongoing Resolution Attempts: FHC continues to place collection calls weekly, and we send additional letters to the defendant to establish a dialogue and discuss an appropriate resolution to the outstanding account. FHC's collection management monitors due diligence activities on accounts through reporting and quality spot checks. If FHC's due diligence standards have not been met, the supervisor advises the collector which steps need to be taken or transfers the account to another collector for a new approach if due diligence was not performed by the initial collector.

Payment Options: **FHC understands that all defendant payments are to be remitted directly to the City by the defendant.** However, we recommend the City consider allowing payments to be taken internally at FHC to increase recoveries, as convenient payment methods for defendants will lead to higher payer rates, as evidenced by our work with Orange County Clerk of Courts. **All letters and communications with defendants instruct them to send payments directly to the City, but we outline our in-house capabilities subsequently.**

FHC's systems are compliant with Payment Card Industry Data Security Standards (PCI-DSS). Defendants can mail payments using the envelope and coupon included with each collection letter, which also allows them to send credit card payment information to FHC in addition to checks and money orders. If the collector takes the payment via phone, Artiva allows the collector to enter the defendant's credit card, debit card, or ACH transaction directly onto the account for a one-time payment or series of payments. This PCI-compliant module in Artiva is used for most Visa, MasterCard, American Express, and ACH payments.

In addition to letters, FHC can provide defendants with information on making payments via FHC's 24/7 Customer Care Portal should the City allow. Through the secure portal, defendants can easily look up their current account status, set up recurring payments, view payment history, make instant payments using electronic check, credit card, or debit card. Defendants can also opt in to receive statements, payment reminders, and letters via text. FHC offers the following payment options: cash, check/ACH, credit card, certified check, money order, Western Union, and wire transfers. For those who prefer traditional methods, we accept payments by mail or phone.

FHC passes along zero cost to either the defendant or the City that may result in accepting payments via credit or debit card. FHC agrees and affirms that all payments will be handled by the Court unless the court wishes to further explore in-house payments at FHC. If FHC receives a payment directly from a defendant, that payment is forwarded to the Court in the form of the original negotiable instrument.

Close and Return: Once accounts have been paid in full and funds remitted to the City we close and return the accounts. We provide this information in a standard report to the City. We understand that the City may request an account be closed and returned for any reason.

COMPLIANCE PROCESSES, PROCEDURES, AND COMMUNICATIONS FHC's in-house CCO Michael Beatty maintains a robust Quality Management System (QMS) and Compliance Management System (CMS) to ensure compliance with all applicable law and consistent performance, monitoring, and quality improvement of all processes. Michael is a proactive leader who oversees the FHC's CMS and QMS while building relationships within the company to ensure cohesion between operations, quality assurance, and compliance. FHC schedules performance meetings with the City as requested to review the prior months performance and results.

Quality Management System FHC has a compliant program in place with comprehensive training, detailed policies, and procedures, as well as daily oversight of all calls and other communications with defendants. FHC's CCO, certified by the ACA International as a Credit and Collections Compliance Officer maintains a comprehensive QMS to ensure consistent monitoring and quality improvement of all processes. In addition, FHC is Blueprint Quality Management System certified by ACA International, a collections-specific standard based on ISO 9001:2015 and includes domains such as management responsibility, management system, policies and procedures, client issue management, document control, purchasing, data control, data identification and traceability, process control, inspection and testing, nonconformity identification, corrective and preventative action, continuous improvement, data lifecycle management, training, process and satisfaction measurements, metrics monitoring, data protection, vendor management, and quality assurance.

FHC also performs annual Risk Assessments (RA) and aligns policies and procedures in connection with the results of the RA. These RA identify and assess the following areas which could impact FHC's system of internal controls: assets and environment, business objectives and operations, financial strategies, vendors, business partners and contractors, regulatory changes, information technology, changes to the threat landscape, fraud risks, and determination of a mitigation strategy. Probability of occurrence and impact of occurrence are identified on a scale from very low through very high. A detailed risk analysis is performed gauging risks in the context of compliance, financial soundness, operations, and reputation, and identifies mitigation controls to address these areas of concern within our CMS. The RA allows FHC to review our company from a macro-level, identify risks and ensure our CMS addresses those risks through the 140+ internal controls in place. Such policies allow FHC to mitigate all risks and allow for collaboration with our clients to yield improvements for both them and FHC. FHC has successfully maintained our QMS program for two federal contracts, resulting in an average quality score of 97% on large-scale federal collection contracts, as well as high quality scores on state collection contracts. Execution on our comprehensive, rigorous QMS program has resulted in superlative client feedback on these contracts.

Performance Monitoring: Call monitoring, recording, and account auditing occur daily and are core functions of the compliance, quality assurance, and operations staff. Our staff reviews collector calls to ensure compliance with all Applicable Laws including fair and honest communications with defendants. FHC maintains all call recording retention policies of the City, which can be modified or expanded upon request. Following are the prime objectives of our call monitoring process: Ensure compliance with laws, regulations, and client contractual requirements; Investigate and remediate any compliance violations of FHC's processes and procedures; Stay abreast of regulatory requirements and legal trends in the industry; Respond to defendant disputes and complaints; Collaborate with the Operations Team in the development of corporate policies and procedures; Implement and maintain the QMS and Quality Assurance Plan, Respond to external auditors for all clients and regulators; and Gauge the defendant service levels on the call to confirm collectors were professional, accurate, empathetic, and friendly during the call.

At a minimum, QA Specialists manually review and audit three calls each collector monthly in addition to automatic scoring of all calls by Speech IQ described subsequently. If the City requests more frequent call audits or monitoring, FHC can easily meet those requirements. We store these results in network folders with access restricted to only the quality assurance staff and members of management for the portfolio. We report instances of noncompliance with the standard call opening script to the collector's supervisor. For instances of collector non-conformance, FHC takes disciplinary action based on the severity of the offense and frequency of violations. Importantly, collection supervisors also monitor staff calls daily through Artiva Manager.

Artiva Manager allows management to know, at a glance, the following: the collector's state (talking on an inbound call, outbound call, waiting for call connect in a campaign, if the collector is idle), how long they have been in that state, what department the collector is in, what outbound campaign the collector is in, number of inbound and outbound accounts worked, number of payment arrangements reached in the campaign, the dollar value of those arrangements, and time logged into the system. From this interface, management can easily monitor live calls and coach when needed. Furthermore, both group and collector messages can be sent to collectors' Artiva screens using Artiva Manager. Management can review calls in real-time using the following functions: Listen, Coach, Barge, and Commandeer.

The Listen function allows a supervisor to monitor the collector's interaction with the defendant without any parties knowing. **The Coach** function allows a supervisor to coach a collector without the defendant knowing. **The Barge** function allows a supervisor to barge into the call – all parties can hear the supervisor. In the rare occurrence where a supervisor wants to completely take over the call from the collector, they can do so using **the Commandeer** function. We have found that this level of assistance increases defendant satisfaction and proactively reduces potential complaints when specialized efforts by management are readily and discreetly available. On the account history level, Artiva displays to FHC collectors the following account attributes: last letter sent, phone number history, last user notes, last action and result code, account history, previous addresses, letters sent, calls, emails, statuses, recorded calls (Voice Trak), complaints, and account assignment. All calls, emails, text messages, and letters associated with an account are logged and stored on the account level. Call recordings can be accessed with a mouse click by selecting the blue hyperlink that immediately opens the respective call recording.

Call Monitoring and Speech Analytics FHC uses SpeechIQ by LiveVox to perform voice analytics on recorded calls. SpeechIQ is a user-friendly solution to drive collector compliance and productivity, operations efficiency, and improved defendant engagement. We inform every person we communicate with that we are recording the call for quality assurance purposes. SpeechIQ ingests call recordings housed on Artiva at the account level and includes a time/date stamp, identifies calls by collector, and stores all incoming and outgoing calls by the entire collection staff. This product allows for automated, defendant centric collector scorecards, scoring of all calls without manual intervention by a QA agent, identifies trending keywords, and allows for actionable insight on collector and defendant sentiment, coachable plans for improvement, and analyzes trends over time. SpeechIQ allows for communication within the platform to securely send links to calls to supervisors, team leads, and the QA Department via email. These calls can be tagged by management under a certain category, or keywords highlighted. Upon opening the link, the supervisor has immediate access to the portion of the call where the relevant keyword(s) were spoken to by either the collector or the defendant.

For example, FHC has created automated scorecards to review and grade all call openings to ensure collectors provide the Mini-Miranda and recorded line disclosure to defendants at the start of every conversation. We customize scorecards for each client to ensure requirements are being met and that scoring addresses the unique attributes of the City's portfolio. This technology allows for a more meaningful use of time for the QA and Management Teams, so they do not need to manually listen to a call to gain important insight. SpeechIQ automatically monitors all recorded calls. Areas of concern are identified exponentially faster, and trends across both collectors and defendants can be analyzed and changes implemented to ensure the best experience possible. With such a vast amount of analyzed data, FHC can monitor operations, compliance, and defendant satisfaction from a macro/organizational level all the way down to the individual collector level. Utilizing both this leading-edge software and a team of dedicated QA analysts, FHC can identify and remediate any regulatory or operational issues moreover, FHC offers a pro-active solution; identifying trends in their infancy and adjusting operations accordingly – before the issue becomes systemic. For reporting purposes, SpeechIQ can generate custom reporting on the fly, or send customized, automated reports to management at whatever interval is deemed necessary to efficiently monitor operations.

Collector Scorecards In addition to the scripts and automated SpeechIQ scorecards described previously, collectors are scored using manual scorecards created by our QA team. We adhere to all City-provided scorecard requirements during these reviews. This ensures all collectors are performing scripts correctly, addressing all training, and Applicable Laws when speaking to defendants. **The call monitoring program:** Measures collector compliance with Applicable Laws and regulations; Measures collector compliance to client contractual requirements and gauges the defendant's experience on the call to confirm they were satisfied with the customer service they received. Unlike other platforms, our call monitoring offers automated call scoring. This key benefit allows us to create custom scorecards that are automatically completed using advanced artificial intelligence for 100% of your calls.

These scorecards are reviewed by both the QA team and members of management. Collectors with low scores receive additional, targeting training and coaching to remedy any compliance or performance issues. Collectors who consistently underperform in certain areas, and trends across training classes are identified by reviewing this data, allowing additional insight as to the effectiveness of training and in the production environment. These bonuses are based on the client's needs and address compliance expectations. Collectors are rewarded for exceeding performance measurement expectations set forth by client and are penalized monetarily for not adhering to compliance regulations, further driving our commitment to compliance and quality customer service. FHC aligns project objectives to meet contractual requirements, and these requirements, including adherence to KPIs, and SLAs, are mirrored from the project, team, and down to the collector levels. Collection supervisors are tasked with managing their individual collectors to perform and meet these requirements, and coaches collectors accordingly.

Our collection manager analyzes the performance and trends of individual teams within the project to these same standards, mentoring supervisors who may be underperforming. Concurrently, FHC's Project Manager does so at the project level and adds another layer of oversight to both teams within the project and any under-performing collectors. Should a collector not meet our performance expectations, they first receive a record of counseling. Repeated infractions against FHC's CMS, QMS, or collectors who consistently underperform against their peers, receive additional coaching and escalations including verbal warnings, written warnings, suspension, and potential termination depending upon the number and severity of any infractions or performance related issues. At FHC, we strive to remedy performance issues through re-training and coaching. If these options fail, we may have to separate employment.

Performance Assurance At the request of the City we provide documentation to ensure regulatory and legal compliance, physical and cyber security, coverage of insurance, and adherence our collections process. . . : We provide performance statistics, audits, reports, and any other requirements on the daily, weekly, monthly, quarterly, and annual basis as required by the City. Representatives are also free to visit our operations on site.

Recruiting and Hiring Our recruiting process starts by advertising the positions we need to fill. We use several methods of advertising: The FHC website, social media, notice to current employees, job fairs, and recruiting companies such as ZipRecruiter and Indeed. We also sponsor an employee referral bonus program to attract additional top talent to the company. Candidates can submit their application on-line through our website. FHC's online application provides a few prequalifying questions, which FHC reviews with the application or resume. FHC schedules a phone interview with those candidates whose

resume and application meet the job description qualifications. If the phone interview goes well, we then schedule an interview with our Recruiting Manager. A minimum of two complete references is required.

Upon obtaining positive feedback from the reference checks, we schedule a second and final interview with the relevant manager. If management is interested in making an offer a completed Interview Evaluation Form is emailed to our HR Department to start the background check process. The turnaround time for results is typically 24-48 hours. Absent any issues arising from the background check, FHC presents an offer to the candidate. If the offer is accepted, our HR Department establishes a start date and transmits the candidate's folder to the Training Manager. HR sends a welcome email to the candidate with the schedule for the first week and attaches the FDCPA study guide. All information is housed in Ascentis to ensure timely record keeping and accountability. If the City has specific education, experience, or background check requirements, our HR Team and the Project Manager implements those requirements for all new hires.

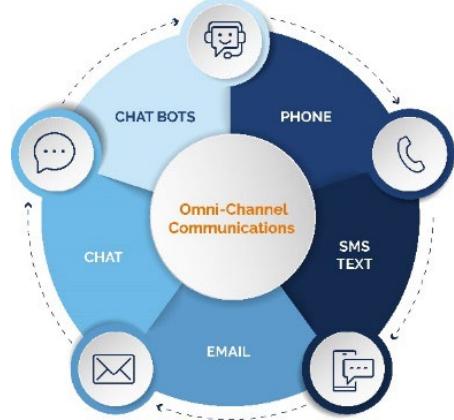
Estimate the amount of time it would take to complete each task listed.

Please refer to **Attachment G: Implementation Schedule for the City of Terrell**, where all tasks have number of days required to complete.

Provide a detailed project schedule for implementation.

Please refer to **Attachment G: Implementation Schedule for the City of Terrell**.

Describe available value-added features your firm can provide as part of this contract or at an additional cost. If at an additional cost, include this information on the Price Proposal Form.



Digital Strategy: Since 2021, FHC has evolved its digital capabilities by launching a comprehensive digital campaign that includes text messaging and chatbot communication, expanding beyond traditional methods such as phone calls, emails, and payment portal. With a deep understanding of compliance and regulatory requirements, FHC spent the first 3–6 months after the regulatory changes engaging with industry peers, monitoring legal developments, and researching best practices to ensure a fully compliant rollout.

Once confident in the framework, FHC implemented its digital solution with all necessary safeguards and protocols to minimize risk, prevent consumer complaints, and avoid potential legal challenges. Our project management team worked closely with operations to ensure a seamless integration, and the first text messages were launched in Q2 of 2021. In 2022, FHC created our chat-bot, “Alexander”, so defendants can self-service through exchanges directly with our automated bot. This bot works to drive defendants directly to our pay portal to self-serve without having to engage via phone. We understand the City wishes to have payments sent directly to you, but we look forward to discussing this approach to recover more funds for Terrell constituents.

Today, our digital strategy has been reinvigorated and expanded, with a forward-looking approach aimed at leveraging new technologies and platforms to enhance consumer engagement and maximize recovery outcomes.

Digital Strategy Expanded: FHC collaborates closely with each client to tailor outreach strategies based on their specific expectations and compliance requirements. All workflows are designed to reflect and honor client directives. Currently, FHC sends text messages and emails to consumers with or without prior consent, depending on the individual client's approved communication guidelines. For the City, FHC will fully comply with the required communication standards, integrating them seamlessly into our existing workflow structure. FHC strategically engages consumers via text and email, with a focus on Thursdays and Fridays, which align with common U.S. paydays. More than half of employers in the U.S. issue payroll on these days, and our intent is to reach consumers at the moment as they are most likely to have available funds. Whether a consumer is not actively repaying or currently enrolled in a repayment plan, these communications serve as timely reminders to resolve their debt using newly received income.

ATTACHMENT A

Vendor Information Questionnaire

ATTACHMENT "A" VENDOR INFORMATION QUESTIONNAIRE

If this document is not submitted with the bid/proposal, it may be considered non-responsive,

Name of Company:	F.H. Cann & Associates, Inc.
Primary/Principal Office Address:	1600 Osgood St. Ste. 3058 North Andover, MA 01845
Telephone Number:	877-750-9801
Email Address:	RFP@fhcann.com
DUNS Number (if applicable):	617731513

Form of Ownership (check one):

Corporation State Incorporated/Registered MA / Date Incorporated/Registered 9/30/99

LLC

Joint Venture

Partnership: If Partnership, select one of the following: () Limited or () General

Individual

Company has been in business since: 1999

List of Partners, Principals, Corporate Officers or Owners:

Name	Title
Sheri A. Cann	Owner, President, and CEO

List of Corporate Directors:

Name	Title
Sheri A. Cann	President
Sheri A. Cann	Secretary
Sheri A. Cann	Treasurer

1. Have you had any contracts terminated for default or other performance reasons? Yes
 No If yes, explain: _____

2. Has your company been convicted of a criminal offense committed in Kaufman County, Texas, involving fraud, theft, bribery, kickbacks, or unlawful gifts to a public official? Yes No
If yes, has the conviction occurred within three (3) years immediately preceding either the date of submission of a bid/proposal, or the date of award of the contract?

If yes, explain: _____

3. Is your company involved in pending investigation or criminal prosecution of a criminal offense alleged to have been committed in Kaufman County, Texas involving fraud, theft, bribery, kickbacks, or unlawful gifts to a public official? Yes No
If yes, explain: _____

4. Does your company have pending claims, investigations, or civil litigation involving allegations of fraud, misrepresentation, or conversion? Yes No
If yes, explain: _____

5. Does your company have previous final judgments against the City for breach of contract, fraud misrepresentation or conversion? Yes No
If yes, explain: _____

6. Has your company failed to timely pay/remit sales tax, property tax, or utility payments to the City of Terrell? Yes No
If yes, explain: _____

7. Has your company refused to execute a contract following an award by the Terrell City Council? Yes No
If yes, explain: _____

8. Has your company violated the anti-lobbying provisions in a current or previous City of Terrell procurement process by making contact with a member of the Terrell City Council prior to the award of a contract? Yes No
If yes, explain: _____

9. Has your company furnished unauthorized substitutions of materials not meeting contract specifications in a current or previous contract with the City of Terrell? Yes
 No If yes, explain: _____

I, Sheri A. Cann, as President/CEO

Name of Individual

of F.H. Cann & Associates, Inc., declare under oath

Company Name

that the above Statements, including any supplemental responses attached hereto, are true and correct, and that the representations made herein are accurate to the best of my knowledge and are based upon a diligent search of records. I further acknowledge that any failure to conduct a diligent search or to make a full and complete disclosure may result in cancellation of my contract by the City of Terrell, and possibly debarment.



Signature

THIS FORM MUST BE SUBMITTED WITH YOUR BID/PROPOSAL

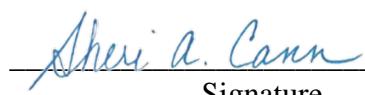
ATTACHMENT B

Price Proposal Form

ATTACHMENT "B" PRICE PROPOSAL FORM

Name of Company:	F.H. Cann & Associates, Inc.
Contact Person:	Sheri A. Cann, President/CEO
Primary/Principal Office Address:	1600 Osgood St. Ste. 3058 North Andover, MA 01845
Telephone Number:	877-750-9801
Email Address:	rfp@fhcann.com
Percentage rate of collected fines, fees, and court costs:	FHC proposes a 28% contingency fee.
Describe available value-added features your firm can provide as part of this contract or at an additional cost.	
If at an additional cost, include this information here.	

I, Sheri A. Cann, as President/CEO
Name of Individual Title & Authority
of F.H. Cann & Associates, Inc., proposes to complete the
Company Name
Project for the prices listed in this Price Proposal Form for scope of work and services described
in the RFP documents.


Signature

THIS FORM MUST BE SUBMITTED WITH YOUR BID/PROPOSAL

ATTACHMENT C

Municipal Services Collection Contract

ATTACHMENT "C"
CITY OF TERRELL, TEXAS
MUNICIPAL SERVICES COLLECTION CONTRACT
SOLICITATION NO. 01-2025

This Agreement (this "Agreement") is entered into by and between the CITY OF TERRELL, TEXAS, a municipality in the State of Texas ("CITY"), and (Vendor Legal Name), whose address is {vendor address} ("CONTRACTOR"), and is effective for all purposes as of the date of the last signature to this Agreement ("Effective Date").

City and Contractor agree as follows:

- 1. Services.** Contractor will perform the Services ("Services" or "**Project**") and provide deliverables ("Deliverables") set forth in **Exhibit "A"**, attached and incorporated for all purposes, to the satisfaction of City.
- 2. Term.** The Term ("Term") of this Agreement will commence on the Effective Date, and will continue for one (1) year term, unless otherwise provided herein. The Agreement may be extended additional one (1) year periods, provided all terms and conditions remain in full force and effect except for the contract period being extended or any price redetermination. This option, if exercised, is to be executed in the form of an Authorization of Change in Services, to be issued no sooner than ninety days (90) prior to expiration of this Agreement, nor later than the final day of the Agreement. This option to extend requires the mutual agreement of both parties. Refusal by either party to exercise this option to extend will cause the Agreement to expire on the original or mutually agreed upon date. The total period of the Agreement, including all extensions as a result of exercising this option, will not exceed a maximum combined period of three (3) years.
- 3. Compensation.** Fees for the Services are set forth in **Exhibit "A"**, attached and incorporated for all purposes for an amount not to exceed \$ for the full three (3) year term of the Agreement. City will pay to Contractor compensation for performance of the Services within thirty (30) days after receipt of an appropriate invoice ("Invoice") and City's approval of Services. Payment will be made in accordance with the Texas Prompt Payment Act, currently codified in Chapter 2251, *Texas Government Code*. Payment for delivery of Services, and rendered will not be unreasonably withheld or delayed. If City disapproves any amount submitted for payment by Contractor, City will give Contractor specific reasons for disapproval in writing within a reasonable time. Upon resolution of any disputed charges, Contractor will re-invoice such remaining charges to City.
WARRANTIES, TERMS AND REPRESENTATIONS
- 4. Compliance with Laws and Policy.** Contractor warrants and agrees that Contractor will perform the Services and conduct all operations in conformity with all applicable federal, state, and local laws, rules, regulations, and ordinances. For any Service performed on premises owned or controlled by City, Contractor warrants and agrees that Contractor will perform the Services in compliance with all City's Rules, including but not limited to, prohibitions related to tobacco use, alcohol, and other drugs. For purposes of this Agreement, "**Standard" Terms and Conditions**" means the Standard Terms and Conditions of the City of Terrell (found at: www.cityofterrell.org).

- 4.1** Contractor will obtain, at its own cost, any and all approvals, licenses, filings, registrations and permits required by federal, state or local laws, regulations or ordinances, required for the performance of the Services.

5. Performance. Contractor represents that Contractor has the personnel, experience, and knowledge necessary to qualify Contractor for the particular duties to be performed under this Agreement. Contractor warrants that all services performed under this Agreement will be performed consistent with generally prevailing professional or industry standards.

6. Authority. Contractor represents and agrees that this Agreement reflects Contractor's full and correct name and that Contractor is entering into this Agreement in an individual capacity/with authorization on behalf of the named entity.

7. Conflict of Interest. Contractor represents and agrees that Contractor presently has no interest and will not acquire any interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of the Services hereunder. Contractor further warrants that no relationship or affiliation exists between Contractor and City that could be construed as a conflict of interest with regard to this Agreement.

8. Deliverables and Use of Documents. All drawings, specifications, plans, computations, data, photographs, records, models, statements, reports, and other deliverables or materials prepared or produced by Contractor in connection with the Services (collectively, "**Service Deliverables**"), whether or not accepted or rejected by City, are the property of City and for its exclusive use and re-use at any time without further compensation and without any restrictions. Contractor will not sell, disclose, or obtain any other compensation for the Service Deliverables. Contractor will not use Service Deliverables in any manner for any other purpose without the express written consent of City.

9. Assignment. Contractor's interest in this Agreement (including Contractor's duties and obligations under this Agreement, and the fees due to Contractor under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, without the express written consent of City. The benefits and burdens of this Agreement are assignable by City.

10. Order of Precedence. This Agreement includes by reference, the provisions of the solicitation documents, and Contractor's response to the solicitation, the exhibits or attachments to this Agreement. In case of any conflict among the provisions of this Agreement, the following descending order of precedence will be observed:

10.1 This Agreement and Standard Terms and Conditions;

10.2 Exhibit "A";

10.3 Solicitation Documents

10.4 Contractor's Response to Solicitation

10.5 Other exhibits and attachments to this Agreement

In the event of any conflict between the Agreement and the provisions of any exhibits or attachments to this Agreement, this Agreement will govern and control.

11. Additional Services/Change or Delay in Services. The City may direct the Contractor to perform services outside of the scope of the Services. The Contractor will submit a written estimate of fees to the City and obtain the City's authorization before initiating any additional services. Each material change (deletion or addition) in the services to be provided by Contractor must be authorized by the City on the Authorization of Change in Services, **Exhibit "B"** to this Agreement. Compensation for additional services will be in addition to that specified for the Services. The approval of the City Council is necessary for all additional services the compensation for which exceeds 50,000. No charge will be made by the Contractor for any

hindrance or delay from any cause whatever during the progress of any portion of its work that can reasonably be contemplated by the scope of work, but the City may grant an extension of time for the completion of the work, provided it has satisfied that such delays or hindrances were due to extraordinary causes or to the acts of omission or commission by the City. Any such extension of time will be provided utilizing the City's Authorization of Change in Services form.

12. Force Majeure. Neither City nor Contractor will be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.

13. Termination. City may terminate this Agreement in accordance with the Standard Terms and Conditions. Upon such termination, City will pay Contractor, at the rate set out in **Exhibit "A"**, for Services satisfactorily performed through the date of termination. Notwithstanding any provision in this Agreement to the contrary, City will not be required to pay or reimburse Contractor for any Services performed or for expenses incurred by Contractor after the date of the termination notice that could have been avoided or mitigated by Contractor.

14. Notice. Any notices required under this Agreement will be made in writing, postage prepaid to the following addresses, and will be deemed given up hand delivery, verified delivery by telecopy (followed by copy sent by United States Mail), or three days after deposit in the United States Mail:

CITY:

City of Terrell
Attn: City Manager
201 E. Nash Street
Terrell, Texas 75160

CONTRACTOR:

F.H. Cann & Associates, Inc.
1600 Osgood St., Suite 3058
North Andover, MA 01845

IN WITNESS WHEREOF, the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the Effective Date written above:

CONTRACTOR:

Sheri A. Cann

Signature

04/15/2025

Date

Sheri A. Cann, President/CEO

Print Full Name / Title (if not in individual capacity)

CITY:

Mike Sims, City Manager

Date

ATTACHMENT D

FHC Key Personnel Resumes



SHERI CANN

President & CEO

Sheri is a visionary executive with 29 years of experience managing all levels of multiple collections and call center projects, including operations, budgeting, and administration. Her expertise includes federal government contracting, regulatory affairs, continuous process improvement, and human resources.

As President and CEO, Sheri evaluates company initiatives and advises on the impact of long-range planning. She is directly involved with the introduction of new programs and strategies to build the organization as well as client management, ensuring FHC provides the best service and results possible.

EDUCATION

Northern Essex Community College
Business Management

JOB SUMMARY

As the Chief Executive Officer and President, Sheri provides leadership for all aspects of the company's operations with an emphasis on long-term goals, growth, profit, and return on investment.

Supervisory Responsibilities:

- Oversees the ongoing operations of all divisions of FH Cann.
- Manages and directs the company toward its primary goals and objectives.
- Oversees employment decisions at the executive level of the company.
- Leads a team of executives to consider major decisions including acquisitions, mergers, joint ventures, or large-scale expansion.
- Promotes communication and cooperation among divisions to create a spirit of unity in the organization.

Duties/Responsibilities:

- Works with the board of directors and other executives to establish short-term objectives and long-range goals, and related plans and policies.
- Presents regular reports on the status of the company's operations to the board of directors and to company staff.
- Oversees the organization's financial structure, ensuring adequate and sound funding for the mission and goals of the company.
- Reviews the financial results of all operations, comparing them with the company's objectives and taking appropriate measures to correct unsatisfactory performance and results.
- Ensures the company's compliance with all applicable laws, rules, regulations, and standards.
- Negotiates with other companies regarding actions such as mergers, acquisitions, or joint ventures.
- Serves as the company's representative to the board of directors, shareholders, employees, customers, the government, and the public.
- Performs other related duties to benefit the mission of the organization.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.
North Andover, MA

Owner, President & CEO | 1999 – Present

- Co-founded and developed agency.
- Evaluates and advises on the impact of long-range planning, introduction of new programs/strategies.
- Ensures compliance with applicable federal, state, and local laws, regulations, and client guidelines.
- Plans, develops, organizes, implements, directs, and evaluates the organization's function and performance.
- Optimizes the handling of customer relationships and initiates appropriate strategies to enhance sales.
- Motivates and develops employees; oversees Human Resource policies.



Valentine & Kebartas, Inc.

Lawrence, MA

Accounts Receivable Management/Customer Service Manager | 1995 – 1999

- Managed a default prevention program focused on utility delinquency.
- Coordinated resolution of borrows disputes per clients' guidelines.
- Managed and maintained a portfolio of medical, utility, and commercial clients, ensuring compliance, with all federal, state, and local regulations.
- Oversaw customer service/administrative staff.

Blue Cross Blue Shield of Massachusetts

Methuen, MA

Quality Control/Health Information Management | 1990 – 1994

- Managed day-to-day operations of the Risk Identification and Management (RIM) Program, reinforcing compliance, health information best practices, and industry standards.
- Provided leadership for documentation improvement and successful ICD-9 coding.
- Articulated the organization's vision for records and information management through policy, budget, and organizational initiatives.
- Responsible for the management of all recorded information, physical and electronic, generated and maintained by the company.
- Oversaw Quality Control Team for the successful operation of all aspects of health information.
- Management including chart prep and scanning, release of information, quality, audits, legal requests/ subpoenas, and record center for all authorized entities in the health care delivery systems.



KARA CANN-BENCOSME

Chief Operating Officer

Kara is a data driven and results-oriented executive with over 12 years of combined executive experience in Chief Operating Officer and Executive Vice President positions. As Chief Operating Officer, she oversees multiple collection and call center divisions, including operations, business development, finance, human resources, and information technology. Kara is focused on continuous improvement in the company, building better processes and systems, increasing market share, and developing leadership within FHC. She directs, develops, and advises on a variety of commercial, consumer, and governmental clients.

EDUCATION

Emmanuel College
BA, Mathematics Minor, Economics

JOB SUMMARY

As the Chief Operating Officer, Kara is focused on implementing the company strategies into daily operations to meet objectives.

Supervisory Responsibilities:

- Oversees the ongoing operations of FHC's Operations, Business Development, Finance, Human Resource, and IT divisions.
- Responsible for revenue and company expenses.
- Assures all client expectations are met or exceeded.
- Reviews all policies and ensures achievement of growth, income, and expense goals for FHC's portfolio.
- Directs management toward achieving the company's vision and mission.
- Design and ensure human resource strategy supports business objectives.
- Ensures that IT infrastructure adequately supports the company's business needs.
- Extensive experience with designing efficient operating strategies.
- Displays keen attention to detail.
- Maintain extensive strategic contract administration.
- Displays informed decision-making abilities using data-driven approach.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.
North Andover, MA



Chief Operating Officer | 2023 - Present

- Oversees all company operations to include 3 physical locations and national remote workforce for over 1,000 FTE.
- Oversees the creation and execution of budgets and financial management.
- Creates strategic goals and designs efficient operating strategies.
- Assures all client expectations are met or exceeded.
- Efficiently on-boards clients to streamline processes and maximize recoveries.
- Oversees innovative IT strategies that meet the company's business needs and maintains utmost security.
- Provide overall leadership and guidance to the HR function by overseeing talent acquisition, career development, succession planning, retention, training, leadership development, compensation, and benefits nationally.

Executive Vice President | 2014 - 2023

- Contract Administrator on Department of Education, Federal Student Aid (FSA) PCA Contract
- Provided full life cycle strategic contracts administration leadership.
- Displayed knowledge of legal requirements involved with contract.
- Administered contracts with the federal government and subcontracts with large and small business prime contractors for FHC.
- Advised on contractual requirements.
- Displayed knowledge of federal government contracting reporting requirements and the Contractor performance Assessment Reporting System (CPARS)
- Displayed knowledge of federal acquisition regulations (FAR)
- Deputy Contract Administrator on FSA PCA Contract

COFFEE CANN CAFE

Lawrence, MA and Hampton, New Hampshire

Chief Operating Officer | 2011 - 2018

- Worked to improve the operational efficiency and enhance customers' experience.
- Ensured products delivered were of a high quality.
- Oversaw the recruitment of staff and ensured strict adherence to safety regulations.

Massachusetts State House, Committee on Financial Services

Boston, MA

Relevant Apprenticeship

- Research the objective of bills impacting Committee on Financial Services
- Analyze and report on the impact of specific insurance types provided to MA constituents.
- Perform administrative duties to support the Committee.
- Attend and report on legislation hearings.



ERNESTO BENCOSME

Senior Vice President of Operations

Ernesto is an accomplished, strategic, and growth focused professional with 16 years of experience in the collections industry. Ernesto provides operational expertise in directing the activities of collections, contact center, financial recovery, loan servicing, and business process outsourcing (BPO) solutions. He develops and effects action plans for achieving defined performance targets. Ernesto ensures consistent, high quality, customer-facing service is being provided across multiple communication platforms.

EDUCATION

Northern Essex Community College

Business Management

JOB SUMMARY

As the Senior Vice President of Operations, Ernesto plans, directs, coordinates, and oversees operation activities in the organization, ensuring development and implementation of efficient operations and cost-effective systems to meet current and future needs of the organization.

Supervisory Responsibilities:

- Recruits, interviews, hires, and trains management-level staff in the department.
- Oversees the daily workflow of the department.
- Provides constructive and timely performance evaluations.
- Handles discipline and termination of employees in accordance with company policy.

Duties/Responsibilities:

- Establishes, implements, and communicates the strategic direction of the organization's operations division.
- Collaborates with executive leadership to develop and meet company goals while supplying expertise and guidance on operations projects and systems.
- Collaborates with other divisions and departments to carry out the organization's goals and objectives.
- Identifies, recommends, and implements new processes, technologies, and systems to improve and streamline organizational processes and use of resources and materials.
- Ensures that departmental decisions and project plans such as those for staffing, development, organization, material efficiency, hardware acquisitions, and facilities are in line with the organization's business plan and vision.
- Establishes, communicates, and implements operations-related policies, practices, standards, and security measures to ensure effective and consistent support and execution.
- Reviews and approves cost-control reports, cost estimate.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA



Senior Vice President of Operations | 2020 - Present

- Maintain full accountability for daily performance of multi-site call center operations, including personnel management, strategic planning, performance monitoring, process improvement, and forecasting.
- Identify opportunities to implement best practices and strategies for process improvement and overall efficiency.
- Focus on coaching and developing employees into leadership positions by using professional development tactics. Instill self-motivation and professional excellence among staff to drive high productivity and goal achievement.
- Holds full accountability in monitoring daily performance of both front and back-office processes throughout multiple locations and various time zones.
- Oversees strategic implementation of a new branch office, including entire build-out to functional office within six months.
- Sets strategic direction in meeting key performance and revenue objectives as well as key client performance metrics.
- Responsible for managing budgets, revenue, expenditures, recruitments, staff management, and training.
- Observes strict compliance with all clients, regulatory, federal, and state requirements (with emphasis on the customer experience).

Senior Director of Operations | 2018 - 2020

- Established the strategic direction for the organization with a focus on meeting key revenue objectives and client expectations.
- Implemented best practices to consistently meet performance targets, revenue objectives, and performance metrics.
- Led the strategic and financial performance of a 500+ person operation. Directed the overall operation, which included operations management, human resources, performance management, staff supervision, professional development, and information technology.
- Managed hiring, training, and coaching of employees to continually drive performance improvement.

Collections Manager | 2013 - 2018

Team Lead Collection Specialist | 2009 - 2013

Senior Administrative Assistant | 2008 - 2009



SARA ALOSA

Project Manager / Point of Contact

Sara serves as the Project Manager and Point of Contact. She is the main point of contact during client on-boarding and oversees the Client Services department to ensure standards of quality service and continuous improvement are maintained. She has 25 years of senior executive leadership experience in call center and collection operations and possesses expertise in client relations, service excellence, operations and team leadership, project management, and product development.

EDUCATION

Franklin Pierce College

Business Management

Boston University

Corporate Education, Quality Assurance
for Business Analysts

JOB SUMMARY

Sara acts as primary liaison for the service side of the client relationship including responsibility for relationship management and service delivery for FH Cann clients.

Responsibilities:

- Responsible for client satisfaction, maintaining client communication, overall management of the relationship and client retention activities.
- Answers customer inquiries, primarily over the telephone, e-mail, or facsimile
- Develop strong working relationships with F.H. Cann clients.
- Serves as primary point of contact for clients and various departments to resolve outstanding issues, comply with customer requests and respond to client inquiries.
- Provides support in research and resolution of problems and inquiries.
- Interfaces with clients to determine present and future needs and discusses progress toward solutions.
- Prepare weekly/monthly customer reports.
- Manages and mentors the FHC team of Client Service Representatives.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA



Senior Vice President of Corporate Strategy | 2019 - Present

- Leads and manages the prime contractor program with full authority to commit the company on behalf of the contract, and to also direct all subcontractor and vendor efforts in fulfillment of the requirements.
- Leads call center operations for agency, including staffing, costing, and technology.
- Works closely with new clients during contract implementation to ensure FHC addresses the clients' needs and requirements.
- Manage client services personnel and day-to-day operational processes to research and resolve client issues and concerns.
- Communicate with clients, internal departments, and third-party vendors daily.

Granite State Management & Resources

Concord, NH

Vice President and Chief Servicing Officer | 2017 - 2019

- Collaborated with the President/CEO and leadership team on new business development and strategic partnerships to drive call center revenue and ensure operational success.
- Led 100+ direct and indirect reports.
- Oversaw a portfolio with 920,000 borrowers valued at over \$14 billion.
- Provided strategic leadership, management, and vision to build an agile organizational structure that enabled rapid movement of people and resources to capture new market opportunities.
- Proactively built and aligned stakeholders, capabilities, and resources to achieve strategic objectives.
- Continuously evaluated and improved operational controls, administrative processes, and systems to maximize efficiency and agility.
- Shaped an environment and culture that embraced change, enabled change, and encouraged others to accept new ideas while challenging the status quo.
- Worked as a lead on all request for proposals for business opportunities.
- Contributed strategic ideas and vision to the senior leadership team to maintain a current understanding of emerging trends within the industry and among clients to ensure all operational and servicing efficiencies across the Organizations.
- Advanced the organization's commitment to excellence by supporting continuous quality improvement; created opportunities for staff, managers, and clients to participate in the improvement process.

- In collaboration with the CFO, developed annual budgets, conducted quarterly reviews, and established financial goals; monitored program performance and operational expenses to ensure maximum revenue potential and efficient utilization of services.
- Coached, mentored, and managed on-site and virtual teams to maximize engagement and drive performance, resulting in a level of service that routinely achieved top national rankings.
- Drove process improvement and standardized best practices; coordinated with leadership team to establish measurable goals and create and manage the structure and process necessary for efficient operations which achieved expected outcomes and superior service.
- Developed a deep understanding of clients' needs; improved internal training, processes, best practices, and testing to ensure all team members were qualified to provide the highest degree of service.
- Built and maintained relationships with external organizations within the student loan industry including potential clients, hosted system vendors, services, collection agencies, and other vendors.

Vice President and Chief Servicing Officer | April 2018 - August 2018

Collaborated with the President & CEO and leadership team to transform the position of COO. Maintained responsibility for leading Loan Origination, Loan Guarantor, Loan Servicing, and Call Center operations to ensure the organization met and exceeded its goals from an operational and cultural point of view.

- Achieved KPIs across various business units while creating the new position of Chief Servicing Officer.
- Facilitated collaboration across departments to promote enhanced integration of services.
- Identified service gaps, encouraged innovation and planned programs and/or service initiatives to address these areas.

Vice President, Loan Servicing | July 2017 - April 2018

Responsible for the overall administration and operational management of the Loan Servicing and Customer Services departments.

- Developed annual budget forecast and adherence including researching and implementing change to maximize expense control.
- Identified, tracked, presented, and evaluated department performance metrics and reported them to the organization's three boards and FSA per contract requirements.
- Set team goals and objectives, which ensured teams consistently exceeded established goals.
- Improved efficiency and cost savings through the automation of UI bots.
- Ensured adequate staffing with properly trained personnel to support all areas of business for federal contract and commercial business.
- Continuously improved quality of work and maintained service quality standards through effective administration and training.
- Led, mentored, and advised subordinate managers to help them navigate more complex phases of departmental operations and automation projects.
- Made final decisions regarding employment, employee performance, promotions, salary recommendations, transfers and termination of direct reports.
- Developed strategies to create an exceptional customer experience, meet customer requirements, and maintain a competitive edge over competitors through unmatched quality of service.

Vice President, Guarantor and Loan Origination | 2010 - 2017

Responsible for all default prevention, collection activity, and private loan origination for the entire organization while managing a \$60 million-dollar loan collection portfolio.

- Ranked #1 nationally for lowest three-year cohort default rate for 6 of past 7 years; strongly emphasized default prevention and helped borrowers prevent and/or cure default.
- Created budgets and developed cost reduction strategy.



JAMES GEORGE

Collection Manager

James has a proven record of improving competitive performance and profitability through production management, staff development, strategy, and the use of technology. At FHC, James is responsible for the day-to-day collection floor and manages inventory strategy and daily pool creation. He oversees department hiring, training, and disciplinary actions while maintaining the ongoing training program. He has outstanding interpersonal, motivational, and presentation skills.

EDUCATION

University of Central Florida

B.S., Business Administration, Major in Accounting and Minor in Management Information Systems

JOB SUMMARY

James acts as primary contact for all FHC operations. Including responsibility for operations management and service delivery for F.H. Cann clients.

Responsibilities:

- Managing Operations and Efficiencies
- Employee Coaching and Motivation
- Key Performance Indicators (KPIs)
- Inventory Control Processes
- Develop strong working relationships with FH Cann clients.
- Serves as primary point of contact for clients and various departments to resolve outstanding operations issues.
- Provides support in research and resolution of problems and inquiries.
- Interfaces with clients to determine present and future needs and discusses progress toward solutions.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA



Financial Services Collection Manager | 2021 - Present

- Manage 200+ million dollars in AR portfolios for multiple clients including: Navy Federal Credit Union, Santander Bank, State of Delaware, University of Illinois, Temple University, and others.
- 8 consecutive quarters ranked 1st on University of Illinois competitive contract (6/1/2021 – Current).
- Hire, develop, manage, and lead Accounts Receivables Specialist Team including 5 Direct reports (4 Supervisors, 1 Admin) and 41 down level reports.
- Responsible for preparation and presentation of client's month end reporting data including, but not limited to, month end production results, inventory analysis and bad debt reports utilizing A/R aging method.
- Established age-based receivables treatment levels reducing client's DSO, increasing recoveries, and minimizing charge off account volumes.
- Designed, collaborated on, and structured custom debt portfolio workflows to achieve maximum optimization and efficiency.
- Developed and implemented performance improvement strategies and plans to promote continuous employee advancement.
- Established and enforced internal controls, workflows, and policies for tracking, reconciling, and reporting accounting activities.
- Oversee daily posting of payments to customer accounts.

Department of Education Collection Manager | 2019 - 2021

- Hired, developed, managed, and lead Federally contracted Loan Resolution Specialists Team including 3 direct reports and 60 down level reports.
- Maintained 40+ million-dollar portfolio containing Federal Student Loans for U.S. Department of Education.
- Drove operational improvements which resulted in 15% increase (\$215,000 per month) in Cash Collections on average.
- Key member serving integral role assisting FHC to finish 1st among 12 collection agencies on Department of Education's competitive contract rankings.
- Cultivated employees within department resulting in several internal employee promotions into leadership positions.
- Collected and analyzed production statistics, recovery rates, costs, and customer service metrics.
- Helped Department Supervisors understand how to effectively manage employee retention, cultivation, and performance.

Department of Education Supervisor | 2018 - 2019

- Supervised team consisting of 14 Loan Resolution Specialists.
- Maintained 10+ million-dollar portfolio containing Federal Student Loans for U.S. Department of Education.
- Handled escalated calls to address customer complaints and concerns.
- Organized and conducted daily team meetings delivering clear and concise information.
- Participated in continuous improvement by discussing workflow, strategy, and training improvements engaging in problem-solving activities in support of Department Manager.

Accounts Receivable Collections Specialist | 2018 - 2018

- Reviewed accounts monthly to assess aging and pursue collection of funds.
- Contacted clients to discuss restructuring options and formulate payment plans.
- Prevented impending loss and increased profitability by executing targeted collection campaigns, increasing recovery rates by 11%.

A4D

Affiliate Sales Manager | 2014 - 2016

- Monitored and reported on Affiliate performance, built optimization strategies to maximize channel performance, and grew volume by introducing and educating on new traffic sources and verticals.
- Increased monthly revenue exceeding production goals by 10% (Reaching upwards of 17%-20% within various months).
- Identified and implemented opportunities to profitably enhance Affiliate program.

Plus Diagnostics

Purchasing Manager | 2009 - 2014

- Developed and implemented Purchasing Department including composing standard policies and procedures, interviewing, hiring and employee training.
- Increased profitability and cash flow through reduced operating expenses and capital spending.
- Decreased materials costs by 15% by negotiating vendor pricing, current and new, to obtain lowest possible cost while maintaining or improving quality of supplies and services.
- Multi-million-dollar contract negotiation for lab equipment and related consumables.
- Prepared and processed requisitions, purchase orders and purchasing contracts (short and long term).
- Control and reporting of purchasing department budget versus actual expenses.
- Monthly cycle counts to maintain proper inventory levels.
- Approval of all purchase requests to ensure adherence to budget and contracts.
- Assisted with opening of California laboratory facility and multiple Laboratory Management locations.



PANN KOUTSOGKILAS

Chief Financial Officer

A skilled finance professional, Pann has more than 15 years of experience in financial and predictive modeling, financial analysis, corporate accounting, and financial reporting. He is a strategy expert with a long track record in process re-engineering and operational efficiency improvements.

CFO has responsibility for the planning, implementation, managing and running of all the finance activities of a company, including business planning, budgeting, forecasting and negotiations.

EDUCATION

Pepperdine University, The George L. Graziadio School of Business and Management
MBA, Finance

University of Phoenix
BS -Business Finance

JOB SUMMARY

As the Chief Financial Officer, Pann directs and oversees the financial activities of the corporation, direct the preparation of current financial reports and summaries, and create forecasts predicting future growth.

Responsibilities:

- Directs the preparation of all financial statements, including income statements, balance sheets, shareholder reports, tax returns, and governmental agency reports.
- Compares sales and profit projections to actual figures and budgeted expenses to actual expenses; makes or oversees any necessary adjustments to future projections and budgets.
- Reviews planning process and suggests improvements to current methods.
- Analyzes operations to identify areas in need of reorganization, downsizing, or elimination.
- Works with the President and other executives to coordinate planning and establish priorities for the planning process.
- Studies long-range economic trends and projects their impact on future growth in sales and market share.
- Identifies opportunities for expansion into new product areas.
- Oversees investment of funds and works with investment bankers to raise additional capital required for expansion.

PROFESSIONAL EXPERIENCE



F.H. Cann & Associates, Inc.

North Andover, MA

Chief Financial Officer | 2021 - Present

- Oversees company financial health including budget, debt, cash-flow, and profits.
- Completes financial analysis and cost benefit analysis.
- Maintains financial reports and forecasting.
- Supports pricing models, budgets, and analysis for contact center and collections projects.

UCLA Extension

Los Angeles, CA

Adjunct Professor of Finance | 2019 - Present

- Teaches graduate level managerial finance courses.

CalGlaMore

Interim Chief Financial Officer | 2018 - 2021

- Managed the budgeting and consolidation process of five entities within the organization, involving an excess of \$100 mil. of forecast annual revenue.
- Crafted Excel based tools to enhance cash management, resulting in an increase of process accuracy to 99.5% and time efficiency improvement of 50%.
- Crafted Excel model to calculate and track the borrowing base of the collateral for the company's \$180 million line of credit.

JH Capital Group

FP&A | 2018 - 2018

- Drove long-term strategic financial planning and budgeting to enhance financial performance.
- Managed overall capital structure and liquidity of the company.
- Secured debt financing and revolver facility to fuel 26% growth rate.
- Established cash management and accounting processes and procedures.
- Oversaw the implementation of the firm's accounting system.

Account Control Technology, Inc.

Senior Financial Analyst | 2013 - 2018

- Managed the budgeting and consolidation process of five entities within the organization, involving an excess of \$100 mil. of forecast annual revenue.
- Crafted Excel based tools to enhance cash management, resulting in an increase of process accuracy to 99.5% and time efficiency improvement of 50%.
- Crafted Excel model to calculate and track the borrowing base of the collateral for the company's \$180 million line of credit.



MICHAEL A. BEATTY, ESQ.

Chief Compliance Officer and General Counsel

Mike is a seasoned corporate attorney with a background in corporate governance, regulatory compliance, and consumer litigation. He has proven experience developing and implementing strategies focused on compliance, litigation, risk mitigation, and training. Mike is a results-driven leader with a reputation for achieving goals, maintaining employee adherence to corporate rules, and building relationships within the company to ensure cohesion between Operations and Compliance.

EDUCATION

New England School of Law

Juris Doctorate

University of Massachusetts at Boston

Bachelor of Arts

JOB SUMMARY

- Responsible for the development or implementation of policies and procedures related to compliance throughout the organization.
- Responsible for oversight of Quality Assurance Department, manage Complaints and Disputes, and ensure consumer-facing compliance.
- Manage on-boarding and continued oversight of Third-Party Vendors.
- Create enterprise-wide Risk Management program, conduct Risk Assessments and Internal Audit function
- Assist with company responses to regulatory and client audits.
- Advise internal management or business partners on the implementation or operation of compliance programs.
- Verify that all regulatory policies and procedures have been documented, implemented, and communicated.
- Assist in providing compliance perspective in training materials.
- Prepare management reports regarding compliance operations and progress.
- Advising executive, senior management and board on various matters such as legal rights, and new and existing laws.
- Managing organization's legal matters.
- Examining and creating draft agreements, such as employment and vendor agreements.
- Conducting legal research and reviewing company's litigation strategy pertaining to legal actions.
- Promulgating and creating directives of corporate acts and decisions.
- Handling statutory filings.
- Liaising with outside counsel regarding their assignments.
- Creating new entities and managing organization's intellectual property.
- Deal with external parties (regulators, external counsel, politicians, clients).
- Deal with complex, significant matters that cut across legal and related areas.
- Keep abreast of legislative changes.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA



Chief Compliance Officer and General Counsel | 2012 - Present

- Responsible for FHC's compliance to laws, regulations, and client contractual requirements.
- Investigates and remediates any compliance violations of FHC's processes and procedures.
- Stays abreast of regulatory requirements and legal trends in the industry.
- Responds to consumer complaints, coordinates litigation defense with network of external counsel.
- Negotiates and drafts client contracts.
- Assists in writing, reviewing, and tracking of company policies and procedures.
- Implements and maintains Compliance Management System.
- Develops and manages Internal Audit Program and Quality Assurance Team.
- Responds to external auditors for all clients and regulators.

First Marblehead Corporation

Counsel | 1997 - 2011

- Responsible for litigation, bankruptcy, and decent education loan portfolios.
- Drafted and audited Sarbanes-Oxley controls for Collections Department.
- Managed relationships with 15 to 20 third party collection agencies.
- Responded to escalated borrower complaints; coordinated litigation defense with network of external counsel.
- Maintained accurate records; ensured proper management of bankruptcy and death claims.
- Ensured data accuracy and integrity in all database systems.
- Worked with Compliance Department to ensure compliance with government regulations and client contracts.



DON DITTEMORE

Chief Information Officer

Don is an accomplished IT executive with more than 24 years of success leading and managing mission-critical projects. He has broad expertise in developing IT architecture, from infrastructure and back-office software to consumer-facing applications. He is skilled in infrastructure design/operation with on premise, hosted, Colocation, and AWS cloud implementations, including migration of existing applications and architecting of new systems.

EDUCATION

George Mason University
Communications

CERTIFICATIONS

- [Amazon Web Services Training: Tech Essentials, Architecting on AWS, Security Essentials, Security Ops](#)
- [ISC2: Certified Information Systems Security Professional \(CISSP\)](#)
- [Project Management Institute \(PMI\): Project Management Professional \(PMP\)](#)
- [Learning Tree International: Project Management Certified Professional](#)
- [Oracle University: Principles of SQL and PL/SQL](#)

JOB SUMMARY

As the Chief Information Officer Don develops, plans, and implements an information technology (IT) strategy that meets the company's business needs, delivers optimal return on investment, and maintains utmost security.

Supervisory Responsibilities:

- Oversees projects and assignments within the Information Systems (IS) department.
- Leads efficient operation of the team so that prompt modernization and upgrades of IS are performed as needed.
- Conducts performance evaluations that are timely and constructive.
- Duties/Responsibilities:
- Collaborates with members of the executive team to identify ways IT can assist the company in achieving business and financial goals.
- Identifies new IS developments and technologies; anticipates resulting organizational modifications.
- Ensures that IT and network infrastructure adequately support the company's computing, data processing, and communications needs.
- Develops and implements the IT budget.
- Communicates goals, projects, and timelines of the company to the department; plans ways to execute those goals within the department.

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.
North Andover, MA

Chief Information Officer | 2019 - Present

- Manages Information Security program, assuring data security for FHC's clients.
- Leads customer security audits.
- Performs due diligence and vendor oversight.
- Manages system and data migration projects, and retirement of legacy systems.



TD Technologies, LLC

Consultant | 2017 - 2019

- Completed various consulting engagements concentrating on security stance evaluations as well as implementing technological solutions to streamline small business ecommerce and maximize organizational efficiencies.

IMAGITAS, a Red Ventures Company (formerly a Pitney Bowes Company)
Waltham, MA

Chief Information Officer | 2015 - 2017

- Senior leader of Imagitas technology; designed and led a 10-month technology migration to parent company.
- Primary point of technical contact with U.S. Postal Service (USPS) for the Moversguide Online application, used by 17 million+ movers annually to change their address while presenting targeted advertising products for consumer use.
- Oversaw optimization of a custom print segmentation engine powering direct marketing/communications for the USPS – sending 100 million time-sensitive mail pieces annually to USPS customers with customized offers.
- Designed and led an Adobe implementation including AEM, Analytics, Target and Campaign for a complete redesign of content management, delivery, testing, and analysis platforms.
- Managed requirements, design, and development of the Change of Address Correction application, enabling millions of dollars in savings each year at USPS.
- Led the creation of a self-service website in use by 3,000+ Ace Hardware stores, enabling creative selection for Welcome Kit insertions.
- Designed/implemented an ESX-based infrastructure for ultimate scalability, flexibility, and redundancy while reducing physical footprint, power, cooling needs, and hardware maintenance costs by 60% each year.
- Developed a highly flexible, robust infrastructure composed of:
- Hundreds of virtual machines residing on six physical hosts in an ESX 5 cluster allowing for maximum uptime, immediate failover capability and elaborate real-time resource allocation.

Supervisory Responsibilities: (continued)

- Establishes long-term IS needs and plans and develops strategies for developing systems and acquiring software and hardware necessary to meet those needs.
- Assists as top-level contact for end users in determining IS requirements and/or solutions.
- Ensures compliance with government regulations that apply to systems operations.
- Performs other related duties as assigned intellectual property.
- Deal with external parties (regulators, external counsel, politicians, clients).
- Deal with complex, significant matters that cut across legal and related areas.
- Keep abreast of legislative changes.

- More than 200 TB of SAN storage using EMC Clariion and Dell Equalogic platforms.
- Thoughtfully designed backup solutions using Unitrends, VCB, VEEAM, and Arcserve technology.
- Fully functional, remotely hosted DR site supporting an RTO of < 8 hours and an RPO of < 24 hours.
- Proactive network and application monitoring with Keynote's RedAlert product and WhatsUp Gold, including SNMP hooks for real-time disk and CPU utilization metrics.
- Fully configured enterprise APC UPS with Powerchute installations.
- Deployment, configuration, and maintenance of an in-line intrusion prevention system (IPS) by Sourcefire.

RS Information Systems, Office of Naval Research

Arlington, Virginia

Program Manager | 2000 - 2007

- Led two incentive-based contracts providing software development and network maintenance to ONR.
- Managed a team of 50 engaged in IT services to enable the efficient funding of worldwide naval research.

Key Accomplishments:

- Oracle Applications 11.5.10 configuration and customization, including custom forms extensions, intricate workflow creation and administration, and bi-directional external system communication.
- Business Intelligence services using Oracle Discoverer end user layers and workbooks, Oracle Reports, PL/SQL Toolkit, PL/SQL generated HTML, and MS Access-based solutions.
- UNIX and Windows-based (HPUX-11, Redhat 4, and Windows Server 2003) operating system server administration using HP 7410 disk arrays for mirrored storage.
- Oracle 9i and 10g DB administration for 16 separate instances of production, development, and testing environments using Data Guard for real-time replication and VPD technology for data security.
- Application/network help-desk services – resolved 2,000 issues monthly with average closure time of <3 hours.
- Provided superior contract and client relationship management, including all client-side reporting, RFP/RFI responses, inter-contract surge assistance and client technology innovation support.



DAVID KREVITZ

Director of Operations

David has 25 years of experience in collections management. Proven record of improving competitive performance and profitability through production management, staff development, strategy, and use of technology. His talents include outstanding interpersonal, motivational, and presentation skills that complement an analytical, articulate, and diligent work ethic.

EDUCATION

University of Central Florida

BS in Business Administration

JOB SUMMARY

Responsible for the performance of the Call Center and Collection Operations.

Responsibilities:

- Portfolio Production/Performance And Monitoring
- Analyzing Collection Inventory
- Collection And Call Center Strategy
- Staff Development
- Forecasting
- Personnel Management

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA

Director of Operations | 2018 - Present

- Oversees 5 Managers, 15 Supervisors and 207 collectors and support personnel.
- Manage the day-to-day contact center / collection floor.
- Developed and manage inventory strategy and daily pool creation.
- Maintain an on-going training program.
- Implemented Succession training at all levels.
- Responsible for department hiring, training and disciplinary actions.
- Helped redirect the Rehabilitation Department workflow.
- Helped create and develop the Administrative Wage Garnishment Department and forward workflow.



Delta Management Associates

Bedford, NH

Director of Operations | 2012 - 2018

- Oversaw 3 Operation Managers, 9 Supervisors, and 145 collectors and support personnel.
- Managed the U.S. Department of Education contract.
- Responsible for \$24 million in revenue.
- Oversaw and supported the direction, organization and motivation of the employees to achieve approved goals and objectives.
- Managed three remote subcontractors.
- Specific responsibilities included but not limited to development and oversight of the collection operations within the Department to ensure optimum performance.
- Implemented collection campaigns and strategies to maximize net results.
- Managed staffing requirements to ensure maximum productivity within the Department while maintaining a positive atmosphere to encourage self-motivation amongst the staff and enhance overall departmental productivity.
- Ensured ongoing training and development of staff to ensure internal succession plan at each respective level.
- Maintained an expert level of knowledge of Federal, state, and local regulations, bankruptcy laws, FDCPA and all other applicable laws and regulations governing collection activities.
- Enhanced focus on the Administrative Wage Garnishment Department.
- Re-directed the Administrative Wage Garnishment Department from generating 1 million a month to 3.8 million a month in revenue.

Account Recovery Bureau/Kadent

Reading, PA

Director of Operations | 2009 - 2012

- Oversaw 4 Unit Collection Managers and 75 collectors and support personnel.
- Managed clients: medical, government and court portfolios, \$400 million.
- Responsible for \$6.4 million in revenue.
- Responsible for tactical management and the day-to-day collections operations of the department to ensure set goals are met while complying with all rules and regulations governing collections.
- Improved major client competitive rankings.
- Developed and executed strategies to improve revenue.
- Created legal network.
- Implemented standardized FDCPA and HIPAA Training.
- Was responsible for employee applications, interviewing, hiring, and training.
- Developed continuing education for collector and managerial personnel.

General Revenue/Sallie Mae/Horseheads

NY and Cincinnati, OH

Director of Operations | 2002 - 2009

- Oversaw 2 Senior Managers as direct reports, 10 Unit Collection Managers and 125 collectors and support personnel.
- Managed the United Student Aid Funds Guarantee Later Age First and Seconds contract, \$600 million portfolio.
- Responsible for \$8 million in revenue.
- Oversaw and supported the direction, organization and motivation of the employees to achieve approved goals and objectives.
- Specific responsibilities included but not limited to: Development and oversight of the collection operations within the Department to ensure optimum performance.
- Implemented collection campaigns and strategies to maximize net results.
- Analyze and report to Senior Management the cost-effectiveness and productivity of activities within the Department. Continually direct, monitor and forecast results as they relate to the assigned goals and objectives. Prepare and provide input and back-up documentation for budget process.
- Managed staffing requirements to ensure maximum productivity within the Department while maintaining a positive atmosphere to encourage self-motivation amongst the staff and enhance overall departmental productivity.
- Ensured ongoing training and development of staff to ensure internal succession plan at each respective level.
- Maintained an expert level of knowledge of Federal, state, and local regulations, bankruptcy laws, FDCPA and all other applicable laws and regulations governing collection activities. Oversee and direct an internal audit process to ensure compliance.
- Evaluated internal policies and procedures and make recommendations for adjustments, as warranted, to contribute to efficient operations.
- Improved client competitive rankings.
- Consistently met or exceeded annual revenue goals.
- Maintained and developed key client relationships.

Horseheads

NY

Senior Collections Manager | 2005 - 2009

- Oversaw 6 Unit Collection Managers and 75 collectors and support personnel.
- Managed the United Student Aid Funds Guarantee Later Age Firsts contract, \$420 million portfolio.
- Maintained client relationship.



JEFF MURPHY

Vice President of Development

Jeff has over 25 years of broad experience in the accounts receivables management industry, with a strong emphasis on innovation, systems development, and integration. As the VP of Development, Jeff provides leadership and direction for the maturation of products and services. Keeping up with current technology and trends to further enhance the student experience, the team provides compliant technical solutions to an ever-changing landscape.

EDUCATION

US Army
2016 - 2019

JOB SUMMARY

As the Vice President of Development will plan, direct, coordinate, and oversee activities in the Engineering and Development department, ensuring the development and implementation of efficient operations and cost-effective systems to meet current and future needs of the company.

Supervisory Responsibilities:

- Recruits, interviews, hires, and trains management staff in the department.
- Oversees the daily workflow of the department.
- Provides constructive and timely performance evaluations.
- Handles discipline and termination of employees in accordance with company policy.

Duties/Responsibilities:

- Oversees the preparation and final approval of project plans.
- Conducts or acquires cost analysis for development projects; prepares or delegates preparation of schedule of project completion dates.
- Ensures that projects are completed within budget and in an economical manner.
- Establishes and implements the strategic direction of the company's engineering and development initiatives.
- Collaborates with the company's executive leadership to develop and meet organizational goals while supplying expertise and guidance on projects, operations, and systems.
- Identifies, recommends, and implements new technologies and systems to improve organizational processes and decision-making.
- Ensures that departmental decisions such as staffing, development, organization, hardware acquisitions, and facilities are in line with the organization's business plan and vision.
- Establishes, communicates, and implements engineering and development policies, practices, standards, and security measures to ensure effective and consistent operations.
- Establishes and administers the department's budget.

PROFESSIONAL EXPERIENCE



F.H. Cann & Associates, Inc.

North Andover, MA

Vice President of Development | 2014 - Present

- Maintains knowledge of emerging technologies and trends in engineering and development related to the organization's industry.
- Negotiates cost-effective contracts for the organization; coordinates and implements contractors work, and resolves any disputes over labor, scheduling, or payments.
- Performs other duties as assigned.

LJ Ross Associates Inc

VP of IT | 2018 - 2019

- Elevated AD from 2003 to 2016 functional level.
- Eliminated all 2003 servers.
- SOC II and ISO27001:2015 (report and certification).
- Implemented multi-factor authentication (DUO).
- Overhauled all import/exports for improved efficiency and accuracy.
- Eliminated insecure FTP for 2016 SFTP server, with 100% migration.
- Overhaul of workflow and tactics for intended outcomes. Program for complex Enables and reporting Troubleshooting support for PBX, GC, IVR, MCA.

FACS Transworld Systems Inc.

VP of IT | 2017 - 2018

- Lead a team of 25 remote employees with 4 direct managers to fully support all aspects of the FACS System which supports over 1000 users.
- Improved process efficiencies, and overall performance.
- Reduced ticket resolution times from 6 months to 2 weeks.

Amcol Systems Inc

Chief Information Officer | 2014 - 2017

- Implemented 1st and 3rd party omni-channel payment channels. (Web, IVR)
- Created and implemented automation to import 50k PDF insurance claim images into FACS using DISQ. Greatly improved rep effectiveness in insurance follow up.
- Provide vision, leadership and direction for future needs and capacity.
- Maintain our ISO 27001 Security Certification, PCI Compliance and PPMS Certification
- Serve as the organization's Chief Security Officer as defined by the HIPAA security rule.
- Accountable for new client implementations, all FACS functions: ETL, EDI, GC, IVR, FACSWeb, FACSWord, DISQ, Cache, Shadow Server, etc. Healthcare Resource Associates

General Manager | 2012 – 2014

- Direct oversight for the company's P&L.
- Interim position, family owned. CEO left organization.
- Turned around from a \$2MM loss (Loss of largest client) to \$5MM profit.
- Provided record profits from an all-time high of 8% to 22%.
- CFPB audit preparation and study.
- Travel with sales reps to assist in closing deals.

Director, Information Technology | 2011 – 2012

- Responsible for managing and maintaining the Corporate Business Continuity Plans, including disaster recovery.
- Directly supervise department of 6.
- Provide vision, leadership and direction for future needs and capacity.
- Maintain our ISO 27001 Security Certification, PCI Compliance and PPMS Certification
- Serve as the organization's Chief Security Officer as defined by the HIPAA security rule.

Mapes Consulting**Senior VP | 2008 – 2011**

- Support and consult to over 35 receivables management firms across the country.
- Scope of services extended from Management Consulting to Operational Excellence and Process Improvement.
- Specializing in Ontario Systems FACS system, telecom, security. Workflow management, waterfall skiptracing, tactics and enable are daily tools.

Healthcare Resource Associates**Director, Information Technology | 2001 – 2008**

- Responsible for all areas of telecommunications, security, network and database design and administration.
- Fully versed in the Ontario Systems FACS platform (all areas including GC).
- Maintained documented workflows and redundancy for all EDI file exchange.

KATE JONES

Human Resources Manager

With over 7 years of experience in HR management for contact center and collection operations Ms. Jones leads recruitment and onboarding processes. She is responsible for overseeing the sourcing, hiring, and on-boarding of all staff, including any relationships with third-party agencies or contractors. Additionally, she's responsible for benefits administration, implementation, and roll out to ICHRA from Group Medical for over 800 employees nationwide, as well as overseeing the 401k administration and annual audit. Kate is an expert in large-scale recruiting and hiring efforts to meet end client needs, with a track record of 2,600+ hires since September 2022. She is skilled in NIST and SOC audit preparation and oversight of Leave Administration including FMLA, ADA, etc. Also involved in assisting in RFx document gathering and monitoring the organizational culture to support the attainment of company goals and promote employee satisfaction.

EDUCATION

University of Maine

Bachelor's Degree, Communications Minor, English

JOB SUMMARY

Provides expertise across all HR functions to include, but not limited to compensation and benefits, employee relations, regulatory compliance, recruiting and retention etc.

Responsibilities:

- Staffing and Recruitment
- Hiring
- Overseeing Background Checks
- Onboarding
- Compensation and Benefits
- Employee Relations
- Regulatory Compliance
- Local Labor Laws
- Employee Engagement and Retention
- Job Fairs
- Performance Management
- Workforce Management
- Staff Forecasting

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.

North Andover, MA



Director of Human Resources | 2022 – Present

- Provides expertise across all HR functions to include, but not limited to compensation and benefits, employee relations, regulatory compliance, recruiting and retention etc.
- Ensures compliance with federal, state, and local labor and employment laws applicable to all HR functions.
- Maintains strong ability to establish and foster positive relationships with employees, managers, executives, and end clients at all levels of the org while maintaining strict confidentiality.
- Development and administration of programs, procedures, and guidelines to help align the multi-state, hybrid workforce with strategic goals of the company.
- Protects the interest of employees and the company in accordance with FHC HR policies and governmental laws and regulations.
- Proponent of continuous improvement; applies strong working knowledge of Federal government contracting HR requirements to include DOL and OFCCP.
- Creates and participates in employee engagement initiatives.
- Creates HR policies and procedures, communicates required changes and manages roll out to our Learning Management System (LMS).
- Oversees FHC's Affirmative Action Plans and Programs (AAP) including compliance requirements with OFCCP, EEO, and VEVRAA.
- Working knowledge of Service Contract Act (SCA) Compliance Principles.
- Completes annual ACA Reporting.
- Benefits administration, implementation, and roll out to ICHRA from Group Medical for 600+ employees nationwide.
- Oversees the 401k administration & annual audit.
- Adept in large scale recruiting and hiring efforts to fulfill end client needs: 2,600+ hires since September 2022.
- NIST & SOC audit preparation.
- Oversees Leave Administration: FMLA, ADA, etc.
- Assists in RFx document gathering.
- Helps monitor the organizational culture, so that it supports the attainment of the company goals and promotes employee satisfaction.

Stratosphere Technical Consulting

Vice President of Human Resources | 2020 – 2022

Human Resources Director | 2018 – 2020

- Member of the Stratosphere Executive Team, comprised of the CEO, CTO, and CBO (company owners) and the CFO.
- Focus on retention efforts: learning & development, career planning, total compensation, employee outreach, stay interviews, and coaching programs.
- Built and managed a trusted employee and culture function that served as an advisor, partner to employees, managers, and leadership throughout the organization.
- To automate and simplify our internal processes and software, I owned and managed the consolidation, implementation, and roll out of our Applicant Tracking System (ATS), Human Resources Information System (HRIS), Payroll, and 401k Platform.
- Owned the compliance function: Federal, State, and Local Laws with a remote, nationwide workforce.
- Responsible for the employee life cycle in its entirety, from recruitment through off boarding. Established and ran the recruiting and hiring practices and procedures necessary to recruit and hire a superior workforce.
- Responsible for sub-vendor and client relationship building, resulting in numerous staff augmentation opportunities.
- Filled multiple roles within' the Federal and Private sectors totaling more than \$1MM in net new revenue for Stratosphere.
- Responsible for contract negotiations, extensions, and rate increases.
- Owned benefits administration, to include recommending changes aimed at employee satisfaction and retention. Selection and implementation of new healthcare plans.
- End client invoicing.
- Assisted in document gathering for RFx.
- Proactively identified gaps; proposed and implemented changes necessary to cover risks.
- Solely monitored our employee's Immigration and Naturalization requirements regarding working authorizations. Partnered with our immigration attorneys to process various work visas.
- Initiative-taking employee outreach to include pulse engagement surveys and stay meetings. Stratosphere was named Inc. Magazine's Best Workplaces in 2020.
- Reported PeopleOps KPIs monthly to the C-Suite, with remediation plans where necessary.

LISA REAMS

Training Manager

Ms. Reams has over 15 years of experience in training contact center and collection operations leading training for FHC employees. She is highly organized, reliable, and results-driven management professional with a robust skill set in administration, technology, business, and interpersonal communication. Proficient in both traditional classroom and virtual training environments, adept at facilitating, presenting, and developing training programs. She possesses exceptional technical writing abilities and demonstrates effectiveness in motivating and guiding employees, evaluating their needs, driving continuous improvement, and troubleshooting issues. She is accountable for supervising the development and delivery of training materials to ensure that support personnel comprehend and execute their roles and responsibilities proficiently. Lisa has experience including complex training courses developed for the Department of Education, Office of Federal Student Aid, where she taught FHC trainees about the importance of compliance, customer service, and one call resolution.

EDUCATION

Wilmington College, Springdale, Ohio
B.A. Business Management

Miami University, Springdale, Ohio
A.A. Executive Secretarial Technology and Business
Information Management Technology

JOB SUMMARY

As the Training Manager Lisa completes Train-the-Trainer sessions and oversees all training implementation and updates for our clients

Responsibilities:

- Delivery of Client Trainings
- Knowledge Management Training
- Document Completed Training Reports
- Oversee Pre and Post Go Live Training Sessions
- Assess Training Needs
- Develop Training Programs
- In Depth Knowledge of Contact Center and Collections Training
- Training Expertise in Laws and Regulations
- Performance Management
- Employee Relations
- Customer Engagement Training
- Problem Solving
- Data Analytics
- Initial Training
- Ongoing Training
- Annual Training Ascentis
- Scorecards and Surveys

PROFESSIONAL EXPERIENCE

F.H. Cann & Associates, Inc.
North Andover, MA

Training Manager | 2020 – Present

- All goals achieved with 100% closing ratio.
- Trained over 100+ employees virtually at one time with highest success rate for all Customer Service Divisions
- Employee of the year recognition for the Training Department
- Implementation and training of all levels with BPO Next Gen Federal Student Aid in all functional areas with successful Live production
- Certified in all functional areas of Next Gen BPO
- Developed and maintain all CBT Training and company LMS
- Start-up of Multiple client contracts



Account Control Technology, Inc.

Mason, OH

Corporate Trainer | 2011 – 2020

- Set up and development of all training and start-up of the new Mason office 2011-2012.
- Achieved the Professional Collection Specialist Certification and Certified Training Specialist certifications through ACA International.
- Trained the largest number (35 new hires), the highest number of collections (5) and largest amount (\$150,000) collected in any new hire training class with ACT.
- All goals achieved with 100% closing ratio.
- Highest percentage of new hires on the production floor that bonus their first month.
- Developed, trained and implemented Professional Communications Public Speaking management development course.

Cameo Solutions

Hamilton, OH

Trainer & Technical Writer | 2011

London Computer Systems
Hamilton, OH

Product Support Specialist | 2009-2011

ATTACHMENT E

FHC Collection Training Manual



FOCUSED | HOLISTIC | CUSTOMER CARE

Collection Training Manual

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Who We Are and What We Do

Welcome and congratulations! You now work for a company that is, daily, expanding its national reputation as an outstanding receivables management company, while maintaining the 'customer first' attitude of a small firm. As we grow, we will keep that client-centric attitude.

F.H. Cann and Associates, Inc. (FHC) was voted one of the Best Places to Work in collections in 2015 by Inside ARM, a highly respected industry publication. As we discuss our values, our policies, and our approach to work, you'll understand better why we won that distinction.

Core Values

You were selected to work at F.H. Cann and Associates because we believe you share the core values that distinguish us from other companies. At FHC, we:

- **Respect everyone.** Everyone you talk with, whether client, debtor, third party, or co-worker, deserves and gets your respect. A person who has defaulted on their debt deserves as much respect as anyone else. We don't just *tell* people we respect them, we act with respect, by telling people what they need to know and by giving them solutions that work.
- **Work hard to be the best.** We love competition, and we love being #1. We're not talking about a cut-throat, cut-corners type of competition, but working hard and smart to be the best in our clients' eyes. And even when we're #1, we don't stop there. We keep trying to be better at what we do.
- **Cooperate.** Being the best is not achieved by individuals, but by a team. We reward individual performers for their achievements but place an even greater value on the individual who succeeds and helps others to do the same.
- **Move forward.** When something goes wrong, or we have difficulty with a debtor, we don't try to assign blame, or be discouraged by something someone else has done. We move forward. We remember that our work is to find solutions.
- **Play by the rules.** Compliance is not just a way to stay out of trouble; it is a way of life that is based on the first of our values, respect. We recognize that the rules we follow are designed to protect our debtors. When we comply with the rules, we are respecting our debtors and earning their confidence.

ACA International Collector's Pledge

We are a member of ACA International, an industry trade group that supports us in the areas of training, compliance, and industry trends. Over the next day or two, memorize their Collector's Pledge. It is a good expression of our core values.

I believe every person has worth as an individual.

I believe every person should be treated with dignity and respect.

I will make it my responsibility to help consumers find ways to pay their just debts.

I will be professional and ethical.

I will commit to honoring this pledge.

What You Will Learn

During your training class and over the next several weeks, you will not only learn what you need to know to be successful at FHC, you will also learn to do what you do with confidence.

This course is composed of several sections. In addition to the section we're in right now (Who We Are and What We Do); we'll train you in the following.

- **Playing by the Rules.** The federal and state rules we need to follow.
- **New Business Activation.**
- **Skip-tracing.** How to maximize your chances of making contact with the debtor.
- **Pre-Call Preparation.**
- **Professionalism.**
- **Mandatory Language.**
- **The Talk-Off.** How to talk with debtors and third parties. This is covered in three modules.
- **Updating the Debtor's Account.**
- **Third Party Communications.**
- **Compliance.**
- **Student Loans 101.** All the background information you'll need to know where defaulted debtors have been and where they're headed.
- **Best Practices in Document Gathering.** Rehabilitation requires us to get documents from the debtor. You'll learn the best ways to do this.
- **Forced Collections.** You'll learn about Administrative Wage Garnishment and Treasury Offset.
- **Special Circumstances.** You'll learn when to refer an account to Compliance, i.e. bankruptcy, deaths, incarcerations, SCRA, etc.
- **Loan Rehabilitation.** All of the details of why this is such a great program.
- **Consolidations.** The details on this alternative to rehabilitation.
- **How to navigate our database, ARTIVA.**
- **How to use our phone systems, AVAYA and Contact Savvy.**

What You Can Expect from F.H. Cann

This company appreciates the hard work and determination of its team members. You'll experience that appreciation in:

- **Financial incentives.** You'll have the opportunity to earn bonuses based on the commissions that you earn for the company. You will also participate in ongoing rewards programs that recognize and incent exceptional performances.
- **Training.** In addition to this course, you'll have numerous opportunities for continuing education on selected topics. Your training doesn't stop in the classroom: Your supervisor will continuously provide constructive feedback.
- **A professional work environment.** We work hard to ensure a workplace that is safe, comfortable, and designed to encourage exceptional work. You will also have the equipment and software you need to succeed.
- **Professional growth.** We are a growing company. As long as we continue to grow (which depends on you), we will continue to offer new positions and roles to our exceptional employees.

What F.H. Cann Expects from You

The company will be successful only to the degree that its employees are successful. Never make the mistake of thinking that the company's success and growth is someone else's responsibility: It is yours. In addition to giving you the *knowledge* you need to succeed, we will, throughout this course, emphasize the personal skills you need to nurture. To be successful, be:

- **Here on time and ready to work.** Good attendance and punctuality are essential. You'll quickly learn that it takes time to find and contact debtors. Don't short-change yourself. Also, don't short-change your teammates. Being repeatedly absent or late is no way to win the hearts of your co-workers. Also, being on-time doesn't just mean getting into the building at the appointed time. It means being in your seat and ready to go at that time.
- **Positive.** A positive and optimistic attitude wins the confidence of debtors and third parties. Stay away from negative influences and brush away negative thoughts that may pop into your head. When it comes to getting a debtor into repayment, if you believe it *will* happen, there's a real good chance it will. If you believe it *won't* happen, there's a 100% chance it won't.
- **Respectful** of every co-worker, client and debtor.
- **Professional** in all communications. This includes your tone, demeanor and word choice in the office and while on the phone.

A Message from our President & CEO

As an employee of F. H. Cann & Associates, Inc., the importance of your contribution cannot be overstated. Our goal is to provide the finest qualify services to our clients and to do so more efficiently and economically than our competitors. By satisfying out clients' needs, they will continue to do business with us and will recommend us to others.

You are an important part of this process because your work directly influences our company's reputation.

We are glad you have joined us, and we hope you will find your work to be both challenging and rewarding.

Sincerely,

Sheri A. Cann

Playing by the Rules

As with any profession, Debt Collection has a set of rules. Because our company places a high value on compliance, you have to know the rules - and live by them - to be successful.

In this module, you will learn the key pieces of federal legislation that govern our industry. But first, we'll take a look at the people who look at your work to make sure you're playing by the rules.

Oversight Bodies

When you came on board, you acknowledged that you have no reasonable expectation of privacy when it comes to the calls you make and receive. Here are the people who can listen to your calls.

- **Our Clients.** Under our contracts, our clients have the right to audit every aspect of the work we perform for them, either in person or remotely. While there are no limits on the scope of the audits they can engage in, they regularly perform the following:
 - **General telephone calls.** Our clients will randomly select a sample of a PCA's telephone calls for a month and complete a checklist that evaluates compliance with federal policy and professionalism.
 - **Rehabilitation talk-offs.** Our Student Loan clients listen to a random sample of rehabilitation talk-offs to assure that the PCA included all of their work requirements.
 - **Rehabilitation documents.** Our Student Loan clients select completed rehabilitations for review to assure that all required documents were completed properly and signed by the debtor.
- **The Federal Trade Commission (FTC).** This is the body that is charged with the enforcement of the Telephone Consumers Protection Act (TCPA), the Fair and Accurate Credit Transaction Act (FACTA), and the Fair Debt Collection Practices Act (FDCPA, covered in detail, below). Most of their investigation activity is triggered by complaints from consumers. The FTC has the power to levy fines, and propose settlement agreements that can severely limit, or even terminate, a business.
- **The Consumer Finance Protection Bureau (CFPB).** The CFPB's role is similar to, but much broader, than, the FTC's. They respond to consumer complaints and conduct scheduled audits of all entities that may have a financial impact on consumers. Its enforcement tools are the same as the FTC's.

Control Environment

One of the CFPB's key activities is the assessment of a company's **control environment**, which is the interrelation of a company's: policies and procedures; risk assessment; control activities, information and communication; and monitoring. If an auditor like the CFPB perceives a strong control environment, it will likely keep its sampling of accounts and transactions to a minimum. A control environment that is perceived as weak will prompt them to expand their audit activities. The training you are receiving right now is an element of control environment, so is our company's policy on bonuses (reductions for compliance errors), which makes compliance an important part of compensation.

- **Consumer attorneys.** There are lawyers across the country whose only practice is suing collection agencies for actual or perceived violations of federal and state laws. It may not seem like it, but their presence is actually *good* for us, because it gives us a competitive advantage over the PCA that takes compliance lightly.
- **Our Compliance Department.** Look on these folks as your guardian angels. If you let them, they will guide you to 100% compliance. They score the phone calls they listen to, and those scores are used in performance evaluations and in the calculation of bonuses.
- **Your supervisor** really wants you to be compliant, because: 1) they want you to succeed; and 2) *their* performance evaluation is driven by your department's compliance.

Federal Laws

It would be nice if compliance just meant having a commonsense approach that included patience, respect, and the desire to help. Unfortunately, it's not that simple; you need to have a working knowledge of several federal statutes. What follows are brief summaries of these laws that are intended to raise your awareness of some key requirements. This is in addition to the FDCPA training you received on your first day of employment. Also, many of the company policies in Policy Tech (a tool that you will have access to) derive from these federal laws. Make sure you understand, and abide by, those policies.

Gramm-Leach-Bliley Act (GLBA)

GLBA restricts a financial institution's sharing of 'nonpublic personal information,' i.e., information it has obtained about individuals through its business that is not generally available to the public. You comply with this law by not sharing personal information on any consumer with any person who is not authorized to have it. You *can* share information with your co-workers within the same line of business; with your supervisor; and with the client.

Privacy Act of 1974

The Act prohibits the disclosure of 'Personally Identifiable Information (PII)' without the written consent of the individual. PII is "information that can be used on its own or with other information to identify, contact, or locate a single person, or to identify an individual in context." Examples include a Social Security number, or a consumer's name in combination with their date of birth. You comply with this legislation in the same way you comply with GLBA: Don't share information of a consumer with anyone who is not authorized to have it. Also, make sure you adhere to our 'Clean Desk' policy by locking your computer and locking away or destroying any PII when you are away from your desk for more than a few moments.

Telephone Consumer Protection Act (TCPA)

The key provision in this Act that you need to know about is the prohibition on auto-dialer calls made to cell phones without the express permission of the call recipient. Collectors are required to confirm phone numbers while speaking to the consumer and verify whether the number belongs to a cell phone. If confirmed to be a cell phone number, you must flag the number in ARTIVA with a code 'C'. You will learn how to do this in our module on the ARTIVA system. This flag prevents the number from being picked up on an auto-dialer campaign. Also, ask the consumer which number is the best for reaching

them. This will help ensure that our calls to the consumer are made to a number that is convenient for them.

Fair and Accurate Credit Transactions Act (FACTA)

This law requires us to be on the lookout for 'red flags' that suggest an attempt at identity theft. If you see any written information in correspondence or a document that appears to have been improperly altered or is inconsistent with other information provided by the consumer, report the incident to your supervisor. If you are talking with an unauthorized third party, and they try to collect information on a consumer, or they ask you to change the consumer's address or phone number, report the incident to your supervisor. In ARTIVA, we will change the status of the account to DIS (dispute). This will trigger further investigation by our Compliance Department. To prevent unauthorized alteration or access to consumer information, *always* make a positive ID of the consumer, using the last four digits of the SSN and full date of birth.

Fair Credit Reporting Act (FCRA)

FHC does not report on consumers to national credit bureaus. Our clients may choose to report monthly to the three national bureaus:

- equifax.com
- experian.com
- transunion.com

A consumer has the right to dispute information in their report. Each of the three bureaus has a customer service / dispute menu on its website.

SCRA - SERVICEMEMBERS CIVIL RELIEF ACT

On December 19, 2003, President Bush signed into law the Servicemembers Civil Relief Act ("SCRA"). The Act provides a wide range of protections for individuals entering, called to active duty in the U.S. military, or deployed service members. Some protections extend to certain family members of said individual service members.

The purpose of this policy is to ensure that FHC and its staff are familiar with the SCRA and handle placed accounts in an appropriate manner.

All staff, employees and entities working on behalf of FH Cann & Associates, Inc. are subject to this policy.

Where any employee of FHC has reason to believe a consumer that has been placed for collection is an active duty servicemember or has a family member potentially covered by this Act, he/she shall attempt to obtain supporting documentation of said active military status, put the account on hold and contact the client for instructions. Each client may have specific administrative processes for handling SCRA matters, so the client should be made aware of the situation whether FHC obtains supporting documentation or not. The account shall remain on hold until written instructions are received from the client.

State and Local Variations

The FDCPA does not prohibit states from enacting legislation that is more restrictive than the FDCPA, and 28 states have done just that. Two municipalities, New York City and the District of Columbia, have also enacted consumer protection ordinances that affect our communications with persons living within their borders.

When you select an account in ARTIVA, you must read the Alerts that pop up. These will outline any state or local restrictions that FHC has determined you need to be aware of.

Collector Compliance

Quality Assurance

Our Quality Assurance Specialists are responsible for auditing the phone calls and notes for each Collection Specialist. This process is in place to ensure that FHC is meeting the work standards expected by our clients, but also to ensure adherence to Federal and State Laws.

Work standards our compliance team looks for:

- Attempts made within 5-10 business days of placement to both debtor and co-debtor
 - See client specifics
- Attempts made during peak times (8am-10am, 6pm-8pm)
- Attempts to contact both debtor and co-debtor
- Evidence of manual and auto dialer call activity
- Attempts made to home, cell, POE
- Skip tracing attempts (including pulling CBR report, if allowed/required by client)
- Does the account show any evidence of FDCPA violations?
- Proper follow-up calls for -
 - Broken Promise (within 1 business day)
 - Returned NSF (within 1 business day)

Example - Call Monitoring- Collector Expectations Checklist

<u>Opening</u>	<u>Rehab</u>
State collector name	Explain benefits of rehab.
State Agency Name	Follow proper progression for payment options (A/B/O)
ID Correct Person - Full Name	Explain payment may change with new servicer
Verify second form of ID	Pitch accelerated payment
Complete Mini Miranda	Source of Payment (if applicable)
Recorded Line Disclosure	Explain the Rehab Agreement Letter (RAL)
State reason for call	Stress returning/providing documents in a timely manner
	Did the payment qualify?
<u>Contact Info</u>	Make debtor aware of due date
Address	
Phone #	<u>Documentation</u>
Ask for Additional numbers	Did the notes provide an accurate summary of the call?
Full POE or source of income	Was account information updated if needed?
Email or Fax	Were phone and address flags accurately updated if needed?
Permission to email?	
Two References	<u>Reasons for Concern</u>
Reference 1	Did the collector adhere to the FDCPA?
Reference 2	Was the collector's behavior acceptable?
<u>Conversation</u>	
Advise amount of delinquency	
Attempt to secure Balance in Full	
Pitch potential Settlement	
Discuss consequences of default	
Provide office contact info	

Cease and Desist Requests

The Accounts Receivables Industry is often a litigious one. Periodically, F.H. Cann will receive complaints and lawsuits regarding debtors who have requested a cease and desist. Here are some guidelines to follow to help avoid lawsuits!

Place of Employment Call Restrictions

When a consumer requests a DNC at their place of employment, it is a violation of the FDCPA to continue to try to reach them at that number no matter the reason for the call. The following steps should be taken EVERY time a consumer requests that you do not call their place of employment.

- Enter Action Code DNC. You will be prompted to enter the POE phone # being restricted. Once complete, the POE # will be restricted from the dialer.
 - Once complete, this restriction will be indicated by the '!' next to the POE phone field.
- Place an alert on the account.
 - MM/DD/YYYY - debtor request DNC @ POE # xxx-xxx-xxxx.
- Properly note the account-
 - Spoke with consumer, requested we do not call them at their place of employment.

Consumer Inconvenient Communication Time Restrictions Procedure

If a consumer states that a specific time of the day is inconvenient for them to receive telephone calls, we must restrict the account by updating the Consumer Calling Hours. This will ensure that calls are made during the requested timeframe.

Follow the steps below to prevent calls from taking place:

- Click on **Consumer Calling Hours** located within the **General Information** tab
- Enter in the time frame specified by the consumer to restrict calls during that period.
- Since this is only a time restriction, you would not enter the DNC Action Code
- Properly note the account

Note: FHC's ARTIVA system is set to restrict the calls based on the consumers Time zones associated with their phone numbers as well as Zip Code.

Complete Cease and Desist Requests

If a debtor request FHC cease all communications, i.e., no phone calls and no letters, we must restrict the account by changing the communication level to cease.

- Enter the action code **CA** and result code **DNC** (Do Not Call) to indicate the consumer does not want to receive any more calls.
 - This action/result code will update the status code to **DONOTCALL**.
- Enter the Action Code **CC**. This action will close the communication on the account. It will no longer allow letters to be mailed and will automatically add an alert to the account – **NO CALLS OR LETTERS TO RESPONSIBLE PARTY**.
 - This action/result code will update the status code to **CEASE**.

Note: If Action Code CC is not an available option, agents will need to email the Cease Communications request to their manager to apply this restriction.

Partial Cease and Desist Requests

If a debtor states we may contact them in writing only, or if a debtor or a third party says to never call them again, we must take this seriously. In these instances, it is critical that the account be restricted appropriately.

Example 1 - If the request is to **restrict a specific phone number**, we must ensure that the phone number is identified and logged into our Do Not Call database and documented on ARTIVA.

- Enter the action code DNC. You will be prompted to enter the phone number being restricted.
 - Once complete, this restriction will be indicated with an '!' within the RP screen.
- Place an alert on the account.
 - MM/DD/YYYY Debtor DNC # xxx-xxx-xxxx.
 - MM/DD/YYYY 3rd party requests no calls to # xxx-xxx-xxxx.
- If the phone # being restricted belongs to a third party and is listed in the RP screen, we must update the **Use As** field from **Primary or Secondary** to **None**. This will remove the phone number from the Primary or Secondary fields.
- Properly note the account.

Example 2 - If the request is made to **restrict all future phone calls**, we will need to restrict calls at the account level.

- Enter the action code **CA** and result code **DNC** (Do Not Call). This will restrict all phone calls.
 - This action/result code will automatically change the status on the account to **DONOTCALL**.
 - Place an alert on the account.
 - MM/DD/YYYY Debtor request no phone calls
- Properly note the account.

Credit Bureau Language

Any discussion of a consumer's credit report and the impact of payment in full, settlement in full, loan rehabilitation or consolidation should be limited. In general, when a debtor has questions about how the account is or will affect their credit report, they should be advised to contact the creditor and/or one of the 3 major credit reporting agencies: Experian, Equifax or TransUnion.

FHC does not report to any credit reporting agencies on behalf of its clients.

Limited Content Voicemail

FHC's Limited Content Voicemail is the approved format from the CFPB and Regulation F.

Hello, this message is from _____ from F.H. Cann & Associates, Inc. Please respond to this message by calling _____ between the hours of 8 AM and 8 PM Eastern Time. You can ask for me or any of our other representatives.

Not to be used on any POE or 3rd Party Answering machine, unverified # or a Cell Phone where Contact Permission has not been granted.

Voice Mail Restricted States

Collectors may not leave a voice mail message in the following states:

- Alabama
- Georgia
- Florida
- New York

When pulling up an account within ARTIVA, representatives are provided with an ALERT notice, which serves as a reminder of such restrictions.

State Specific Call Frequency

Before placing a call on an account, review the account history to ensure we have not already made the allotted number of calls per day or per week based on the chart below.

State State/City/Territory	Requirements
Arizona	In order to call POE must have 1 call to home phone and a message or 2 calls with no answer and wait 24 hours before calling employment.
California	<p>A communication to a debtor's employer is necessary to the collection of the debt only if it is made for the purposes of verifying the debtor's employment, locating the debtor or effecting garnishment.</p> <p><u>Oral communication:</u> 1 oral communication solely for verification of employment is allowed. Otherwise communication to employer must be in writing unless no response is received in 15 days.</p> <p><u>Follow up attempt:</u> 1 call 15 days later if written verification of employment is not responded to.</p>
Iowa	<p>Verification of Employment: 1 time within 30 days.</p> <p>Communication with certain parties limited to once per three-month period: parents of minor debtor, legal guardian of debtor, and trustee or conservator of debtor's property. Responses to inquiries from these parties are not counted.</p>
Massachusetts	Call attempts to debtor limited to 2 per 7-day period at all residential, personal, or cellular numbers and 2 per 30-day period at all other numbers (POE). Skip trace contacts limited to 3 per 12-month period per person contacted per debt.
New York (City of)	<p>Location Information: Only 1 attempt allowed to POE</p> <p>2 per seven day calendar period</p>
Oregon	<p>May only call 1 time per 7 days at POE</p> <p>Need Permission, need to attempt at residence in day & night prior to calling POE.</p>
Washington	3 times in a week with either debtor or spouse; once in a week at debtor's work.

Identifying FHC properly

When giving the company name to consumers and third parties (only when they request it!), please use the full name of the company, “**F.H. Cann & Associates, Inc.**”.

There are several states that require us to state the name exactly as it appears on our state licenses, which is F.H. Cann & Associates, Inc.

Mandatory Language – Standard Call Opening Script

Call Greeting

Hello, this is (*First and Last*), calling on a recorded line can I please speak with (Consumer First and Last)?

Debtor acknowledges, “Yes this is she.”

Call Monitoring Disclosure (CMD)

“Hello. (MS. Consumer), my name is (Collector Name), calling on a recorded line from the offices of **F.H. Cann & Associates, Inc.** on behalf of (Client Name).”

Right Party Contact (RPC)

“Before I can get into detail with you, can you please verify *your date or birth or the last four digits of your social security number*? Thank you.”

Mini-Miranda (MM)

“Before we continue, I need to let you know that this communication is from a debt collector. It is an attempt to collect a debt and any information obtained will be used for that purpose.”

Mandatory Language – Call Closing Script

Once again, my Name is (*First and Last*), the name of my company is F.H. Cann & Associates, we are contracted by (Client Name).

My contact number is: (877-750-9804)

Our website is www.fhcann.com

It has been my pleasure assisting you today. Please feel free to call me if there is anything else that I can help you with.

Special Circumstances

At any point in your conversation with the debtor or a third party, you may be told that the debtor has special circumstances, which are conditions or life circumstances that make the account uncollectible and could lead to the closure and return of the account to our client. When you learn of a special circumstance, you should stop the normal progression of the talk-off. For now, you just need to be aware of what special circumstances you can run into.

- **Bankruptcy.** The debtor has filed for bankruptcy protection. We need to stop collection efforts immediately. We are, however, allowed to collect information on the bankruptcy. This includes the name, address, and phone number of the debtor's attorney as well as the date filed, docket #, state and district where the petition was filed.
 - Change to appropriate status, BANKRUPT.
 - Management will notify the compliance team by emailing compliance@fhcann.com
- **Death.** You are told the debtor is no longer with us. You'll express your condolences and try to collect information that will allow our client to discharge the debt, i.e., a copy of the death certificate.
 - Verify via <http://www.genealogybank.com/gbnk/ssdi/> or Google.
 - Change to appropriate status, DECEASED.
- **Disability.** The debtor is totally and permanently disabled. See client specific details for further details.
 - Change to appropriate status, DISABILITY.
 - When assigned to a Federal Student loan portfolio, refer to the client specific guidelines.
- **Incarceration.** If we can obtain proof that the debtor is incarcerated, we will forward this information to the client and request the account be closed. See client specific details in client Appendix for further details.
Every state has its own inmate search. Go to google, put inmate search and the state. The search will provide the appropriate website for each state.
 - Change to appropriate status, INCARCERATED.
- **Active Military Duty.** We don't press on with collections when the debtor is on active duty in a military operation. Whether this information is relayed to us through the debtor or third party, the following steps are to be taken.
 - Change to appropriate status, ACTIVEDUTY.
- **Cease and Desist.** The debtor doesn't want us contacting them by phone and/or mail. We honor the request.
 - Change account to appropriate status code, DONOTCALL or CEASE.
 - Email your supervisor and notify the compliance team by emailing compliance@fhcann.com

- **Threat of Lawsuit.** Explain that we will take this as a request to cease and desist, unless the debtor says otherwise.
 - Get Supervisor immediately for 2nd voice
 - Change to appropriate status, DONOTCALL
 - Email your supervisor and notify the compliance team by emailing compliance@fhcann.com
- **Dispute.** The debtor disputes the existence, enforceability, and/or amount of the debt. We suspend collections until the dispute is resolved or return the account to the client.
 - Ask the Debtor, "What part of the debt are you disputing (entire balance or a portion)?"
 - Advise Debtor to send in letter stating they are disputing the debt
 - Change to appropriate status, DISPUTE.
 - Management will notify compliance team by emailing compliance@fhcann.com

Note: When the debtor disputes the debt, the collector is responsible for following through with a request for supporting documents. This is called validation, usually a promissory note.

- Financial Services Collection Specialist are required to email the FS Admin Team, FSAdmin@fhcann.com with any request for supporting documents, i.e., request for promissory notes, copy of charges, balance breakdown.
- Ascendium Collection Specialist will email request to their management team and compliance@fhcann.com.

- **Do not record.** If the debtor states they do not wish to be recorded, the collector must end the call immediately. We treat this as a cease communication.
 1. The collector should email their manager with the details.
 2. Change to appropriate status, DONOTCALL.
- **Refusal to Pay.** If the debtor states, they refuse to pay. We treat this as a cease communication.
 1. Get a 2nd voice when possible.
 2. The collector should email their manager with the details.
 3. Change to appropriate status, REFUSE.

Note: If you are assigned to a Federal Student Loan portfolio, see client specifics regarding Forced Collections.

Third-Party Communication:**Attorneys, Consumer Credit Counselors, or other third parties**

When the debtor states they are represented by an attorney, simply ask them for their attorney's name, address and phone number. Once you have this information, annotate the account and place the account into the "ATTY" status code and email the compliance department.

- We do not require the debtor to send this information in writing.
- Always document the account.
- If the debtor only has the attorney's name and location information, document the information and attempt to locate the attorney's contact information.

What is a reasonable amount of time to wait for a response from a debtor's attorney before we can resume communication with the debtor again?

1. Generally, there is a 30-day understanding on attorney response, i.e. no word within 30 days, we can go direct to debtor.
2. 1 message per week for 4 weeks, with the 4th message letting attorney know our intentions;
 - State in a non-threatening way that if we do not hear back within 48hrs we will assume the attorney no longer represents the debtor and we will, therefore, resume communication with the debtor

Relatives, Neighbors and References

1. "One and Done", unless there is valid reason to believe the individual may have updated information on the debtor, or you were provided with the wrong or old information previously
2. "A.P.E.", you are only allowed to verify the debtors address, phone # and their place of employment name
3. Only identify FHCANN & Associates, Inc. if specifically asked.

Spousal Communication:

We do not speak to spouses in any state that does not permit it, unless given consent by the debtor. You are never to speak to a debtor's spouse in any of the following states:

- **Arizona**
- **Connecticut**
- **Georgia**
- **Illinois**
- **Iowa**
- **Massachusetts**
- **New Hampshire**
- **South Carolina**
- **Tennessee**

An alert will pop up on the account if the debtor lives in a state in which we are not permitted to speak with the debtor's spouse without prior consent.

Legal Guardian, Executor of the Estate, Parent of a Minor, Power of Attorney:

- You need to obtain a copy of the **Guardianship Order** if someone is claiming, verbally or in writing, to be the Guardian of the debtor.
- The debtor can provide either verbal or written consent for us to speak to the Legal Guardian or Parent of the minor.
- For individuals claiming to be the Executor of the Estate or Power of Attorney for the Debtor, they must provide legal documentation.

Places of Employment (POE)

- Do not identify FHC unless asked specifically who we are.
- If asked what the call is regarding, reply, "*The purpose of this call is confidential*".
- Any additional information provided to you, but not requested, must be documented clearly in the notes as such.
- VOE's [*verification of employment*] should be completed by contacting HR, Personnel or the Payroll Department.
- Under no circumstances should any indication of a debt be disclosed, even in the case of VOE.

Phone Call Values

Before we get into the steps of the talk-off, you need to make sure you're operating under the following values, which should be used on *all* phone calls, not just those with debtors. Remember: Your communication skills are the basis of your livelihood.

Have respect. Don't assume, because a debtor has failed to pay, that they're irresponsible. They are our client's customer. Treat the debtor with respect at all times. When you prepare for a call, note the debtor's age and location. This will influence how you address the debtor. Older debtors and debtors in southern states appreciate 'Mr.' or 'Ms.' and 'sir' or 'ma'am.' These forms of address aren't as important to younger debtors living in the north. Don't just *show* respect; *have* respect.

Have a positive attitude and be optimistic. You may, from time to time, encounter a difficult debtor. Never assume, when you begin a call, that you *will* have one, even if the notes in the system suggest otherwise. Any experienced collector can share stories with you where the debtor started out rude and combative and wound up thanking the collector for calling. That can happen only if you maintain your positive attitude. Also, don't assume that the debtor won't give you information; assume that they will. Why wouldn't they? You're calling to help them, right? Make sure that a positive attitude is in your voice from the very beginning. Some people express this with "Have a smile in your voice." But, don't pretend to be someone you are not; just be positive and optimistic in your own way.

Be patient and listen actively. Think about your ratio of phone contacts to phone attempts. Once you've contacted a debtor, you can afford to spend a few minutes listening to their story. Don't cut them off for the sake of 'efficiency.' And don't just sit there in complete silence, making the debtor wonder if the line's gone dead. Acknowledge what the debtor is saying by occasionally interjecting "mm-hmm" or "I see." Understand the debtor's story so that you're in a position to give them the best solution. Be careful, however, to maintain control of the call. Don't let a debtor wallow in self-pity or launch into a long tirade. Move on to a solution.

Restate sympathetically. To make sure that you have understood the debtor, summarize what they have told you, but put a positive spin on it. A debtor may tell you "I don't have any money. My life is in the dumpster." Restate: "I hear that you're having financial difficulty, and that's got to be frustrating and worrisome. But, maybe we can help with at least a part of that." Speak *empathetically* if you are able. Empathy means being able to identify with someone because you've been through the same experience yourself. "I hear you. Two years ago, I was pretty much in the same boat. The good news is, it got better."

Avoid jargon. Most debtors are not likely to understand a phrase like "Your interest was capped." Avoid using industry shorthand or abbreviations that we understand but they don't (e.g., BIF, SIF, DNC, POE, etc.).

Don't leave dead air without an explanation. If you have to take a pause in talking with the debtor – say, to transfer the call to your supervisor or ask a question – let the debtor know what's happening and that they won't hear anything for a few moments. If you don't, you may come back to your phone and find that the debtor has hung up.

Tell the truth. We know you would never deliberately say anything that was untrue. You also need to make sure that you don't skate over information that the debtor has a right to know.

Express regret, but don't apologize unless we've done something wrong. The debtor may be angry with their lender (our client), or even with us. If you're listening sympathetically, you'll express regret that they feel the way they do. But, don't apologize for anything that may have happened to them in the past, and definitely don't apologize for anything we may have done, unless, of course, it's clear we did something wrong. In that case, yes, own up to it and apologize. More importantly, move forward to a solution.

Don't apologize for calling. If you're new to collections, you may have the sense that you're imposing on the debtor. You're not. You're calling with options to help them resolve their debt by entering into an agreement which ultimately will pay off the account. That's nothing to apologize for.

New Business Activation

Activation requirements are determined by your Management Team and are based on our clients' work standards.

Santander/Financial Services - You should spend no more than 5-7 min activating an account. All accounts assigned are required to be activated within 48 hours and are audited weekly.

Ascendum (Navient and GLHE) – New business lists fall within 2 categories which are provided in a list to each collector.

- Lists totaling more than 10 million are expected to be fully activated Mon-Thurs before the list is reshuffled to another team member.
- Lists that amount to less than 10 million are shuffled from one collector to another daily Mon-Thurs.
- Collectors should work toward locating and confirming the POE in order to get the account assigned to them.
- If the POE is provided from a work number hit, the collector will need to have spoken with the debtor in order to have the account assigned to them.

Note: 1st day efforts are critical to any collector's success.

Initial Steps

At a minimum, collectors are required to call all open numbers associated with the account, home phone, cell phone and employment numbers; be mindful of co-debtors listed to the account and ensure all numbers are called.

1. Always document the account notes with each attempt made along with the end result. Identify the last four digits of the phone # attempted
2. All bad phone numbers must be flagged appropriately in the Phones Table, i.e., BAD, WRONG, NEVER CALL.
3. Review the **ARTIVA Returns Screen** for additional numbers through the following reports:

TUCPE, Lexis Waterfall and TALX Work Number and Experian True Trace

Note: Not all accounts will have every report available at the time of activation.

4. Call all possible #'s provided through the **RETURNS screen**
5. **Flag**_all numbers found in the **RETURNS screen** to reflect G (Good) or B (Bad)

Business Accounts

6. All business accounts are to be checked through the Secretary of State. Any information found through this search should be well documented in the ARTIVA notes.
7. The owner of the business should be well skip-traced for additional contact information.

Work Standards

Assess the debtor and determine how much time you should spend on the account. This is typically based on the balance size, demographics, profession, and their propensity to pay score which is provided in the TUCPE report.

In general, the following should be completed:

- Calls made within 2 business days of being placed.
- All available phone numbers should be called, home, cell, POE.
- All new business should be called during the following prime times:
 - AM prime time; this refers to 8-9AM within the debtor's time zone. However, if all of your assigned accounts fall within the same time zone, your prime-time efforts would run from 8-10AM.
 - PM prime time: this refers to attempts made between 5-9PM. Again, you would be mindful of the varied time zones, noting the time difference to yours (1, 2 and 3 hours behind).
- Attempts are made to contact the debtor and co-debtor.
- Spend at least 5 minutes per day skipping your accounts (no more than 15 minutes total on each account).
- Broken promises and returned NSF payments should be called within 1 business day.

Documenting the debtor historical notes in the ARTIVA system

Collection staff must document all collection activities in the PCA's system, including in-coming and out-going calls, skip-trace efforts, complaints, and written correspondence received and delivered (FHC scans a copy of all CORRO received into the Document History on the account).

It's important to note that the account annotations are often critical to resolving litigations and complaints.

The Collector notes should clearly and accurately summarize the conversations that occurred along with any conclusions or agreements made during the conversations such as a payment agreement or complaint. FHC allows the use of industry standard abbreviations.

Record the time, date and result of your last contact.

- Notes should mirror what the recording would reveal

Treat every account you work as if it were your own.

- It's critical to keep thorough records of all debtor conversations whether they are for an account in your queue, or that of another collector.
- Full and complete information should be gathered and documented with every right party contact

Notes should be accurate, truthful and clear, keeping in mind that Auditors and Clients may request to view any and all records at any time.

- Avoid overuse of acronyms and abbreviations. Abbreviations should be easily interpreted by the average reader.
- If other people cannot understand your notes, they are ineffective. Notes should be detailed enough for anyone viewing the account to have a clear picture of the last conversation.

Recording payments

- Method, i.e., check by phone, MC/VS, Amex.
- Payment amount.
- Date of payment.
- Authorization of payment security.

Note: Any changes in payment agreements must be documented in the ARTIVA system

Record any who, what, why and where information that pertains to the debtor.

- Identify specific name, position and relationship to the debtor; debtor's spouse, friends, neighbor, relative, nearby, employer, etc.

Clearly note all call attempts and skip-trace activities.

- Noting the account properly will help to ensure the same steps are not being repeated.

Categorizing the account and scheduling

- Place the account into the proper **STATUS CODE**, i.e., **HOT, GOODPH, GOODPOE, PROMISE**, etc.
- Reschedule the account by changing the **FOLLOW-UP DATE**. Ensure you are scheduling the account based on either next step new biz activation requirements or on the status code, i.e., HOTS should be worked daily.
- ALWAYS note what your **NEXT STEP** should be on an account. This ensures that the next time you come across the account you can pick up where you left off, especially when skip-tracing.

Locate the POE (place of employment)

The first contact at the POE is preferable to the residence.

1. If you have a POE phone number that came with the file, call the number and attempt to get the debtor on the phone.
2. If the debtor is unavailable to speak, proceed in a separate call to the HR, Personnel or Payroll Department, and verify the debtor's employment.
When assigned to a FFELP portfolio, the following applies: Always verify by using the debtor's name and SSN.
3. If the number proves to be invalid or the debtor is NLE, remove the number and note the account.
4. If there is no obvious employer name or number provided with the account, and/or in the "ARTIVA Returns screen", proceed to skip-trace for current debtor contact and employer information.
5. If there are older POE leads provided, call them. Some people DO go back to old jobs.

References and Relatives

1. If you are assigned to a student loan portfolio, review the **ARTIVA References Screen** and proceed to call the references. In many instances these are family members who may be able to provide you with up-to-date contact information for the debtor.
2. Don't be afraid to skip-trace a relative.

Note: Remember to be mindful of Third-Party contact rules provided in the FDCPA - Address, Phone and Employer Name ONLY! You cannot ask the 3rd party to take a message.

The Talk-Off

You are trying the latest phone number you've found for the debtor. Someone who may be the debtor answers. Now what do you do?

The talk-off is a planned conversation with a debtor. Even if you are working through an auto-dialer, you can have a talk-off. This is because our talk-off has a definite structure, or map, that can be used in all cases. You will not be reading from a script, but you will be following a defined set of steps. The more you trust in the structure, the more relaxed and confident you will be with the debtor, and the more likely you will be to help the debtor resolve their debt.

Always follow a protocol when discussing resolutions with a debtor. First, talk about paying the balance in full (BIF), followed by a discussion of settlement in full (SIF), followed by a discussion of a monthly terms.

The debtor may respond, unequivocally, that they don't have the means to pay the account in full. As a collector, you will need to be prepared for the debtor's response and be able to reply accurately and effectively. Call preparation plays a large part of all successful talk-offs. The goal of this Talk-Off Chapter is to ensure you have a basic understanding of FHC's protocol along with a guide to common objections and rebuttals.

Step 1: Pre-call Preparations

Effective preparation does not mean extensive research or time-consuming analysis. With a little experience, you should be able to complete your pre-call preparations within a few minutes.

Preparation objectives start with understanding the basics about the debtor.

- What is the Debtor's history?
- How cooperative is the Debtor likely to be?
- How much is owed?
- What are the likely payment resources available to the debtor?
- What are the most probable resistances to overcome?
- What are the most effective tools (what leverage do we have)?
- Determine what information must be collected, get full and complete.

Take a few moments to gather information on the debtor through ARTIVA by viewing the Returns and Custom windows, as well as any historical notes.

Step 2 - ID and Disclosures

The purpose of this step is to protect the debtor's privacy and make sure that they know we are working to resolve their delinquent account.

Call Opening - Call Monitoring Disclosure (CMD)

"Hello, this is Susie Collector, calling on a recorded line. Can I speak with Carrie Consumer?"

"Hello. MS. Consumer, my name is _____, calling on a recorded line from the offices of **F.H. Cann & Associates, Inc.** on behalf of ***creditor name***."

- When the party answers "Hello?" state your name and inform them you are calling on a recorded line and ask to speak with the debtor.
- We need to make everyone we call aware that they are on a recorded line. This includes employers, 3rd parties, references and consumers. This requirement applies to collectors and administrative staff alike who contact employers for follow-up on Verification of Employment (VOEs), Rehabilitation Agreement Letters (RALS) or Direct Loan Consolidation Applications (WDF).
- If asked by a 3rd party what type of company we are, you may respond, "We are an accounts receivable management company." Do not state accounting firm, financial institution or collection agency.
- Do not, at this point, use the words 'debt' or 'default' and do not indicate the reason for the call.
- When giving the company name to consumers and third parties (only when they request it!), please use the full name of the company, "**F.H. Cann & Associates, Inc.**".
There are several states that require us to state the name exactly as it appears on our state licenses, which is F.H. Cann & Associates, Inc.

Right Party Contact

Confirm the debtor's identity through the last four digits of their Social Security Number. If the debtor is reluctant to give the last four of the SSN, ask them to confirm their date of birth and address.

"Before I can get into detail with you, can you please verify the last four digits of your social security number? Thank you."

- It is ok to identify FHC and our Client name after obtaining the debtor name, and prior to obtaining other RPC (Right Party Contact) info, as long as no indication of a debt is discussed. Once you obtain the full RPC info, then the debt can be discussed. This is well within the law.
- Never provide RPC information to the debtor. It defeats the purpose of obtaining the information to assure we are not violating any 3rd party laws.

Mini-Miranda (MM)

"Before we continue, I need to let you know that this communication is from a debt collector. It is an attempt to collect a debt and any information obtained will be used for that purpose. "

- Must be stated to each debtor, every time you speak to them, at your earliest opportunity to include it in the conversation.
- Under the FDCPA, you MUST identify yourself as a debt collector each time you communicate with a consumer. It is NOT sufficient to state "This is an attempt to collect a debt, and any information obtained will be used for that purpose".

New York City Exception

When you are talking with a debtor residing in one of the boroughs of New York City (Manhattan, Bronx, Brooklyn, Queens, or Staten Island), you need to state who the debtor's original lender was. If the original lender is not immediately available to you, you may supply the name of the current holder (FHC's Client Name). If you're uncertain whether the debtor lives in one of the boroughs, give the original lender name, anyway.

Debtors who reside in NY State and who want information emailed to them from FHC, will need to submit their request and approval in writing.

Step 3: Confirm the Debtor's Information (Full and Complete)

Before starting a discussion of options, explain that we need to *confirm* that we have the correct contact and employment information for the debtor. Use the word 'confirm' instead of 'verify' or 'get.' This will let the debtor know that we already have information for them and thereby relieve any privacy concerns.

When asking for the following information, have the debtor tell you the information. Don't tell them what we have and then ask them to say whether it's right or wrong. That would be an invitation to the debtor to simply say 'yes' to everything we have as a way of getting off the call.

- **Home address.**
- **Phone numbers.** Get as many numbers as you can to reach the debtor. Add all numbers obtained to the PHONES table. For each number we add, we must identify the TYPE field, i.e., Home, Mobile, Other, Reference, Relative, Work. If the phone number is a cell, update to Mobile. This will then reflect with a C in the Responsible Party screen.

Go to the PHONES table by clicking PHONES on the lefthand sidebar.

General Information

Main
Phones
POE
Assets
Perform Action
View Notes

Responsible Party

Name: Willie Makit
Address: 65 Fremont Ave.
Chevy Chase MD 20815
LOCAL TIME: 10:48AM
Spouse:

Balance: 741.21
SSN:
DOB: 1/12/1996 VM?
Ph:
Alt Ph:
Phone for current call

Phase: REGULAR
Status: PROMISE
Follow-up: 1/6/2021
Acct Rep: Ext:
Dept.: Tuition

Click, Add to bring up the Add Phone Number

Phone Numbers

Phone Number	Type	Use As	Rank	Verified Date	Mobile?	Bad?	Wrong?	Never Call?	Exhausted?	Local Time

Add

Enter the phone number and update the TYPE and USE AS fields to identify the number.

Identifying the Primary and Secondary phones will ensure the Responsible Party phone fields are populated. If we have not confirmed the number, choose Type: Other and Use As: None.

Add Phone Number

Phone: 603-111-1111
Ext:
Type: ...
Description:
Use As: NONE
Source: ...
POE: ...

Autodial Consent? N
Consent Source: ...
Bad? N
Never Call? N

OK Cancel

Items Available

Code	Description
HOME	Home
MOBILE	Mobile
OTHER	Other
REFERENCE	Account Reference
RELATIVE	Account Relative
WORK	Work

OK Cancel

Use As

Key	Description
FHCCELL	FHC cell phone ZZENCELLPH
FHCOTH	FHC other phone ZZENOTHERPH
NONE	None
POE	Employee Phone
PREV1	Previous phone 1
PREV2	Previous phone 2
PREV3	Previous phone 3
PREV4	Previous phone 4
PREV5	Previous phone 5
PRIMARY	Primary Home Phone
SECONDARY	Alternate Phone 1

OK Cancel

- **Texting Consent.** Once the debtor has confirmed any cellphone, we ask for their Text Consent and then update the Phone Number – Texting Consent field.

Open the Phone number which the debtor is giving consent. Choose Y, click OK to save.

The debtor's consent must be included in your wrap up notes in ARTIVA.

Phone Numbers

Phone Number	Type	Use As	Rank	Verified Date	Mobile?	Bad?	Wrong?	Never Call?	Exhausted?	Local Time
603-222-2222	Mobile	PRIMARY	5		N	N	N	N	N	01:06p

Phone Number

Number: 603-222-2222 New Hampshire - Eastern Time (US & Canada) with DST 1:06PM
Rank: 5 - Recently Added, Untried Number Score: 0

Ext: Wrong? Validated by System as Mobile?
Type: Bad? Client Allows Dial Without Consent?
Use As: Never Call? Client Implies Dial Consent?
Source: POE: Validated by System as Never Call?
POE: Autodial Consent?
Created: 7/1/2022 1:06PM Verify Revoke Cell Consent
Verified: 07/01/2022 3325547 MANUAL RP Create Date 07/01/2022
Actions
Notes
OK Cancel

Texting Consent?

- **Email address.** This will be useful for skip tracing and for obtaining documents, i.e., 'Settlement Agreement Letter'.

Be sure to ask the consumer for their email address and obtain the debtor's permission to send any documents we might need via email. Record this permission in the 'RP's on Account' screen by updating the Email and Contact Auth fields of ARTIVA.

We will always need this permission from any debtor living in NY before we can communicate through email. The field 'NY Auth Rec'd' will be updated once written authorization is received from the debtor.

Artiva Workstation - Primary Responsible Party:

General Information

Responsible Party Information

Email: Contact Auth: NY Auth Rec'd:

If the consumer states they do not have an Email Address, refuses to provide, etc. that must be clearly notated as well

- **Employment information.** Assume that the debtor is working. Ask: "Are you working full-time or part-time." There are three possible answers, all useful to us: "full-time"; "part-time"; or "I'm not working." If the debtor is working, ask them "And where is that?" This can be tricky, since, if the debtor gives it some thought, they may hesitate. One approach is to find the name of an employer appearing in ARTIVA, either in the Returns screen or in the Notes.

Step 4: Balance in Full (BIF)

As a Collection Specialist, you need to make sound and reasonable decisions when it comes to taking payment arrangements. Initially, the balance in full is where your focus should be. If the debtor has a sizeable percentage of the balance, then you should strive to find out when they will have the remaining portion.

In Step 1, you reviewed the information available to you in ARTIVA. From this you were able to tell if the debtor might have the means to pay the balance in full. Make sure that this type of debtor knows the advantages of paying off the account.

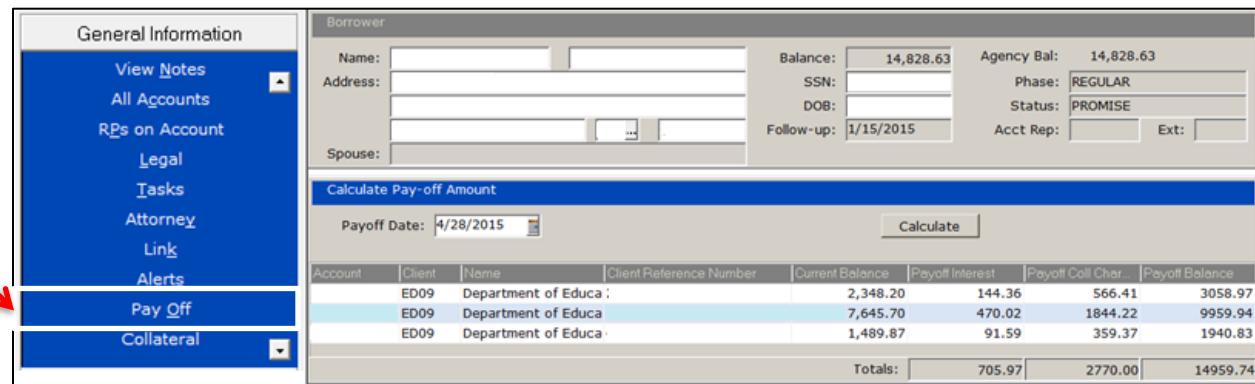
- **It resolves the debt immediately.** This can be particularly useful for someone who is applying for a mortgage, concerned about their credit, or is leaving the country for an extended period.
- **It resolves the debt completely.** Once the BIF occurs, the debtor never has to think about this account again.
- **The loans are reported as 'paid in full' or 'paid collection account'.** Although FHC does not report to any credit reporting agency, our clients may. The debtor should be referred to the client for answers regarding how the account will be reported once paid, (see client specific Appendix for additional details). Never tell a debtor that paying the balance in full will improve their credit rating. It probably will, but we can't know that, for sure, and it would be a violation of the FDCPA to assure the debtor of something we are not certain will happen.

Even good BIF candidates may not have the cash on hand. Ask them to consider these other sources:

- **401(k) retirement account.** The debtor can ask the administrator of the plan for a loan to pay their delinquent debts. In this situation, the debtor, when paying the loan back, pays interest to themselves. But, don't act as the debtor's financial advisor; just ask them to consider this option.
- **Loan from a relative.**
- **Home equity loan or line of credit.** This is probably the least likely source of funds since it requires bank fees and/or closing costs and a ton of paperwork. For most people, the interest paid is tax-deductible, but, again, don't act as a financial advisor, just mention the option.

Although ARTIVA can provide a pay-off calculation, always check with your supervisor for the proper protocol to your specific client. Some clients require their approval before any payoff figure is provided

to the debtor. To use the ARTIVA option, go to the Pay-Off Screen and enter the date the debtor chooses by using the Payoff screen in ARTIVA.



The screenshot shows the ARTIVA software interface. On the left, a sidebar menu includes 'General Information', 'View Notes', 'All Accounts', 'RPs on Account', 'Legal', 'Tasks', 'Attorney', 'Link', 'Alerts', 'Pay Off' (which is highlighted with a red arrow), and 'Collateral'. The main panel is titled 'Borrower' and contains fields for Name, Address, Spouse, Balance (14,828.63), Agency Bal (14,828.63), SSN, DOB, Phase (REGULAR), Status (PROMISE), Follow-up (1/15/2015), Acct Rep, and Ext. Below this is a 'Calculate Pay-off Amount' section with a 'Payoff Date' set to 4/28/2015 and a 'Calculate' button. A table then displays account details:

Account	Client	Name	Client Reference Number	Current Balance	Payoff Interest	Payoff Coll Char.	Payoff Balance
ED09	Department of Educa :			2,348.20	144.36	566.41	3058.97
ED09	Department of Educa			7,645.70	470.02	1844.22	9959.94
ED09	Department of Educa			1,489.87	91.59	359.37	1940.83
				Totals:	705.97	2770.00	14959.74

Instructions on this task are also included in the **ARTIVA** manual. Be sure to add the BIF amount and target date into the ARTIVA Notes.

Step 5: Settlement in Full (SIF)

In certain cases, you may offer an option to settle the account in full. You should make sure the settlement is recovered in a one-time lump sum payment, unless given different direction from your manager. You should only setup a payment arrangement after the balance and settlement options have been determined to be unattainable.

A settlement in full (also known as a 'compromise') does not have as strong a positive impact on a debtor's credit report as a BIF, but it is a resolution, and it has two advantages over BIF:

The account can be settled for substantially less than the full amount. Settlement amounts are determined by each client and are typically considered on a case-by-case basis. There are a few clients however that allow for a blanket settlement, (see client specific Appendices or check with your supervisor).

Some clients will allow for a series of payments to cover the full settlement amount. Typically, no more than 60 days is given.

The main disadvantage of SIF is that the account is reported to the credit bureau as a 'settled' or 'settled for less than full amount.' In some cases, the creditor will report the loss and send the debtor a 1099 at the end of the year. This may be a deterrent to some debtors.

If the debtor says they are unable to settle at the lower option, ask how much of that amount they could afford now. You will say something like "OK, well, if you can't afford that amount, how close do you think you can come to it?" If the debtor is reasonably close, your manager may decide to present the offer to the client for SIF approval. Some clients will accept less than their standard settlement amount.

If the client declines the settlement offer, and the debtor is unable to cover the required SIF amount, move onto the next best option. Now that you are aware the debtor can come up with a sizeable payment, ask for a down payment. This can be used as leverage when negotiating a longer-term payment agreement.

Step 6 - Determining a Payment Plan

Once it has been determined that the debtor is unable to pay off the account with the BIF or SIF, it is time to move on to the best possible arrangement.

Prior to deciding on a monthly payment amount, an experienced collector qualifies the arrangement by obtaining:

- Full and Complete Information
- Reviews the payment history for previously broken agreements
- Gets specifics on the debtor's monthly debt to income ratio

Use the following inquiries to determine the amount of the payment plan:

- Is the debtor employed? Full time or part time employment?
- What is the Debtor's monthly income?
- Does the debtor have other sources of income? Spouse? How much?
- Is the debtor on Social Security, Disability or Unemployment? How much?
- Does the debtor have a checking account?

If you are assigned to a Federal Student Loan Portfolio, see client specific training section of the manual.

Talk-Off Checklist

Frontline File – no program

1. Know your debtor
2. Ensure use of Mandatory Language for ID and Disclosures during introduction.
3. Confirm debtor's info – F&C – address, phone, POE, email.
4. Ask for the Balance in Full – BIF.
5. Review for Settlement in Full – SIF.
6. Review debtor's monthly income and obligations.
7. Pitch for debtor to make a down payment with monthly terms.
8. Calculate payment amounts and determine agreed to payment dates.
9. Close the call by securing the payment through the ARTIVA Payment Set-up Screen.
10. Document the call details.
11. Place the account on your personal HOT or tracking sheet and schedule the next follow-up date.

Payment Methods

As we know, the majority of our right party contacts do not immediately result in the debtor offering to pay the balance in full, right away. Because of this, we must maximize all available payment methods to get the funds into the office. We accept checks by phone, Master Card, Visa and American Express.

Reoccurring payments

Entering into a Payment Plan Agreement (PPA) with the debtor is only the first step. Securing the agreement through reoccurring payments will be crucial to the success of the arrangement. Debtors who schedule reoccurring payments are more likely to follow through and complete the terms of the agreement. This also allows the collector to concentrate their efforts on new non-paying accounts rather than looking after the same accounts each month.

Debit Cards or Credit Cards

The use of a Debit Card (MC/VS) or Credit Card has proven to be the most effective and efficient payment method for both the debtor and FHC. This payment method provides same day confirmation on whether the payment has cleared, allowing for quick follow-up. In addition, the debtor can avoid the typical NSF fee associated with the Electronic Check option.

If the debtor is unable or unwilling to use their Debit Card, scheduling Electronic Checks can also be an effective method when entering into an agreement. Collectors are able to take a series of checks which in turn are processed on the agreed to date.

As required by the FDCPA, debtors are sent the Notice of Intent to Deposit Letter 5-10 days prior to the scheduled date of payment. In addition, some clients require the debtor to sign an Authorization for Reoccurring Payments before processing the second and all future payments (see client specific Appendices for further direction).

Setting up recurring payments and/or PDCs

It is strongly recommended to schedule payments based on the debtor's pay dates. When possible, avoid scheduling payments for the last day of the month. Rather, use the 25th of each month as a benchmark. If the payment does not clear, the collector will have ample time to reach the debtor to recover the amount within the same month.

Make sure the debtor has their checkbook out and always confirm the following:

- The debtor is the authorized signer on the account.
- Confirm the scheduled payment dates and agreed to amounts with the debtor.
- Request the debtor call in advance with any changes to their bank account.
- Advise the debtor they will receive a notice of intent to deposit prior to each payment.
- Confirm full and complete, address, phone, employment and email address.
- If required, arrange for the return of the signed Authorization of Reoccurring Payment form.
- Advise the debtor on the importance of maintaining the agreement.

Objections and Rebuttals

Consider that your debtor may have put off taking care of their student loans for a very long time. Your job is to help them get over the anxiety and inertia that led to their default. Remember to use the principles we learned in **Phone Call Values**.

- **Listen actively.** Really hear what the debtor is saying and show that you're listening by interjecting things like "I see", "I understand", or "mm-hmm." Don't be so anxious to say what you have to say that you don't really hear what they have to say.
- **Restate positively.** Summarize what the debtor has told you but take all the negatives out. Don't say "So, you've been laid off for two years? Bummer." Instead, say something like "You're not working right now. That's true of many of the debtors that we get into rehabilitation every day."
- **Respond by moving forward.** Don't discount the debtor's feelings, but don't get bogged down in them, either. Also, when objecting, a debtor may say something that is not 100% true. Don't catch them in a fib; move on. For example, the debtor may say that they're not working and later say that their paychecks have been delayed. Don't say "So, you're not really unemployed, are you?" Instead, move forward by asking the debtor where the paychecks are coming from (get the employer name).

Common objections and their rebuttals:

OBJECTION	REBUTTAL
I just made a payment. (similar to 'the check is in the mail')	I don't see that we've received a payment from you. What we should do is set up a payment today. Then, you can cancel the payment you sent, because it hasn't been received.
I've filed for bankruptcy.	If you would give me your attorney's name and phone number and, if you have the case number and court where it was filed, that would really be helpful. We'll suspend collection activity on your account. <i>[At this point, the debtor may say that they're thinking of filing for bankruptcy, or that they filed and the case has been discharged.]</i>
I need to talk this over with my wife/husband. She/he handles the finances.	I understand. I'd be happy to explain it to your husband. With your permission, I would be more than happy to speak with him. It'll just take a few minutes. ¹
I've already taken care of this with 'The Client'. I'll call the 'The Client'	Santander Bank has placed your account with us for resolution. We can set up a payment arrangement today that will lead to resolution. They'll ask you to call us back because we're the company they assigned

¹ In 42 of the 50 states, we don't legally require permission to talk with a spouse about the debt. Always ask for permission, however. It's the respectful thing to do.

your account to.

I'll just send in a payment.
Send me another letter.

We have sent you letters. What we would like to do today is discuss the account and determine the best possible solution.

You'll have to contact my attorney about all this.

Not a problem. Can I get your attorney's name and phone number?

I'll have to call you back. (= I'm busy. Call me back.)

We really need to have this conversation. It will only take minutes to work to get this resolved. However, if you're really pressed for time, and can give me a time and phone number, I'll call you back today (*or tomorrow, if the debtor says today isn't going to work*).

Exception

We don't want to keep a debtor on the phone if they're driving. If they want to pull off the road to somewhere safe, that's fine. Otherwise, tell them you'll call them back. Find out when they expect to be off the road.

I'm not working right now.

Every day, we work with debtors who are out of work to resolve their debts.

I'm on a fixed income.

[Before you offer a rebuttal, make sure you understand what kind of income it is. This may lead to the discovery that the debtor is disabled. If not...]

I understand. Let's take a look together at your financial picture and determine if we can come up with a plan that will work with your current financial situation.

I don't have a checking account or credit card.

An option that many debtors use is a pre-paid debit card. We recommend a card that doesn't have any processing fees.

[Do not mention a particular brand; that can be construed as an endorsement. You can, however, tell them where they might find one (e.g., Walmart, CVS, Walgreens, etc.).]

I just started a new job and don't get paid for two weeks.

I understand. Is there someone who can help you make an immediate payment, until you get your first paycheck? That way, we can establish to the client that we have worked out a payment solution this month.

I never received a letter or bill.

Let's make sure we have your address correct. That way, if we *need* to send you additional letters, we'll know they're going to the right address. We really prefer to communicate with you by phone. That way, you can get answers to all your questions right away.

Who are you again, and what kind of company?

We're F.H. Cann and Associates and we're an Account Receivables Management Company.

[If the debtor asks if we're a collection agency, say...]

Yes. We've been hired by 'Santander Bank' to contact you regarding your delinquent overdraft account and attempt to resolve the balance.

The point is: Listen to the debtor but take control of the call. This is not bullying: You will ensure that the debtor is aware of *all* their options. Their financial condition may have left them feeling paralyzed. Lend a hand so they can move forward.

Negotiating a Down Payment on a Frontline Portfolio (non-FFELP)

It is, obviously, to our advantage if the debtor makes a down payment, but it is also to the debtor's advantage. A substantial down payment is the debtor's financial commitment to getting the account paid off. When a debtor makes a down payment, they are more likely to continue making monthly payments. Never be too shy to ask for a down payment, and never assume the debtor will not be able to make one.

What should the down payment be? Earlier, when you proposed SIF to the debtor, you asked how close they could come to the settlement figure. Hopefully, they gave you a figure. Suggest that figure as a down payment. Or, your research or conversation has led you to believe they have some cash on hand. If the debtor balks at what you suggest as a down payment, ask them how much they think they can afford as a down payment, reminding them of the benefits. It could be that the amount they suggest is a reasonable down payment, or you may wish to negotiate further, narrowing the gap between what you suggested and what they suggested.

Example

You: Earlier, when we were talking about settling the account, you said that you would be able to afford \$1,000.

Borrower: Yeah. I have that amount, but I don't think I want to spend it all on a down payment, since I'll also be making monthly payments.

You: So, what do you think you could make as a down payment?

Borrower: How about \$200?

You: How about we split the difference: \$600? At that amount, you'll be making a strong financial commitment to the program, and we've found that people who make a strong financial commitment are more likely than others to finish the program. Plus, it takes a big chunk out of your accrued interest.

Borrower: How would my commitment be if I went with \$500?

You: It would be great. \$500 it is.

Don't think of the down payment as a gift the debtor is agreeing to give us. Remember: The loan will eventually have to be paid off; a decent down payment is a way of getting a jump on that process.

It may be that the debtor has no available cash to put down (or says they have none). Be able to recognize this and move on. Don't spend a lot of time, or risk alienating the debtor, by haggling too much.

Lead in questions once the Mandatory Language has been completed.**1 – Balance in Full - Lead in Question**

- As I stated, this office has been contracted by (Granite State Management) to collect on a defaulted balance of \$1,500.00. Are you able to pay this balance today?
- Granite State Management has placed a balance with our office for collections, of \$1,500.00. Is this an amount you can pay today?
- The balance placed here is \$1,500 which is due at this time. Can you pay this today?

2 – Settlement in Full – lead in question – examples

- I understand you cannot come up with the full balance. Can I ask how much of the balance you are able to come up with?
- If you are unable to pay the balance in full, our client has authorized F. H. Cann & Associates, Inc. to negotiate a settlement in full. Do you know how much of this balance you can offer to pay in a lump sum?
- If you can pay \$1000 today of the \$1500 balance, we can accept this payment as a settlement in full. Do you have any resources that can be pulled together by DD/MM/YY which would cover the lower amount?

3 – Down Payment with Payment Arrangement – follow through questions

- Are you able to come up with a 3rd of your balance? (Collectors should start with 30% and discuss with the debtor the benefit of paying down the balance).
- Making a down payment to pay down the total owed will help shorten the amount of time this debt is left outstanding. It will also allow us to come up with a short term monthly pay-off plan.
- Once you have made the down payment, we can then take the remaining balance and break it up over a 12-month period.
- Once you make the down payment, we can come up with a monthly payment agreement that works with your current financial situation.

4 – Negotiating the Payment Agreement

- I understand you are leaning towards a payment plan. Let's review your current financial picture and see what we can do to get this account into an acceptable agreement.
 - Are you working at this time?
 - Full Time or Part Time?

- What is your current weekly take home pay?
- Do you own or rent? What is the monthly payment?
- Do you have an auto payment?
- Auto Insurance payment?
- What do your monthly utilities total?
- Weekly food?

Reaffirm the information the debtor has provided

- Based on the numbers you provided, you have approximately \$500 available after expenses. How much of this are you willing to commit to paying toward this account each month?

Note: Most people are willing to commit anywhere between **20-50%** of their disposable income. Do not hesitate to ask for the most and negotiate from there.

- Based on the numbers provided, it appears you have \$500.00 per month available after all necessary expenses are paid. Can you cover a payment of \$250.00 per month?
- How close to \$250 can you get each month?
- I'm showing you have \$ 1000.00 coming in and \$ 500.00 going out. Your disposable income is \$ 500.00. Are you able to apply \$ 250.00 toward the balance each month?

Our goal is to get the balance in full paid off in as short a period of time as possible. The more the debtor is able to pay upfront the less the monthly payment amount will be when splitting the remaining balance over a 12-month payment agreement.

A great collector is always willing to negotiate the best possible arrangement.

Skip-Tracing

Methodology for Using Outside Sources

There are valuable sources of information outside of ARTIVA. Try them in the order shown here. Create bookmarks for them in your browser.

Suggested Skip-Trace sites

- ACCURINT
- Google
- www.thatsthem.com
- Indeed (resume search)
- www.careerinfonet.org

www.accurint.com

Accurint (Lexis-Nexis) pulls its information from over 600 sources, ranging from credit card companies to pizza places.

Access to ACCURINT and the various search options is determined by FHC's Management Team. At a minimum, collections specialists will have access to the following:

Contact & Locate (Non-FCRA)

People Searches provide basic information about individuals, including addresses, phone numbers, full dates of birth and Social Security Numbers.

- Contact Plus
 - Search results deliver separate phone and address sections allowing users to utilize one search to obtain EDA, non-EDA, and cell phone information.
 - Phone numbers - best phone.
 - The address section returns best address first with the associated dates to the addresses

Additional available searches

- Voter Registration Locator
- Death records search
- Email search
- People in the news
- Death & Obituaries in the news
- Marriage / divorces

Phone number lookups and reverse phone number lookups will run in real time and will include cell and unpublished phone numbers.

- Reverse search plus
 - Use the Reverse Phone Lookup to search for information on a known phone number.
 - For a reverse lookup on a phone number, provide either:
 - 7-digit phone number (with or without state); OR,
 - 10-digit phone number (including area code)

Advanced searches may be available and are communicated to the collection specialist by their immediate supervisor.

Note: Be sure to document all skip-trace attempts made, including those to third parties along with the phone number and any resulting contact.

www.google.com

Google opens up the entire internet to you. This search engine is an impressive tool which can lead you to the debtors POE, Facebook page, LinkedIn profile, address, personal websites, craigslist posts and anything on the internet affiliated with the debtor.

Searches to try:

1. **Search by name with quotes.** When you type in just the debtor's name (e.g., John Doe), Google will return every site that has *John* or *Doe* in its tags or key words. When you type the full name, with middle initial, in quotation marks (e.g., "John Q. Doe"), you'll narrow the search to pages that mention 'John Q. Doe' with the words in that order. Try it with your own name, or that of a co-worker.
2. **Search within results.** Narrow your results further by putting the debtor's city and state after the quotes (e.g., "John Q. Doe" Methuen MA). When you get your initial results, you can click on the 'Search Tools' button to reveal several ways to narrow your search even further. The search tools will keep you from looking at pages you've already viewed or postings that took place a long time ago.
3. Reverse debtor's first and last name in parenthesis, i.e.: "Mark Smith". If the debtor has a common name, try the name with city & state), "Mark Smith" "Boston, MA".
4. You are also able to use 'and', 'or', '+', '-'
5. **Search by the debtor's name and last known POE**
6. **Search by the debtor's name and occupation**
7. **Search by email address**
8. **Search by the debtor's school name**, they may be listed as alumni or have references where they studied which could lead to their professional profiles, their company website or even LinkedIn.
9. **Enter phone numbers into the search window.** Put phone numbers for the debtor and references into the Google search and see what happens.

10. **Maps.** This can be useful in locating the debtor's workplace, particularly for chain stores. At the top of the screen, there are options for Web, Images, Videos, Maps, News, Shopping, Gmail, more. Select 'Maps' and type the debtor's address into the search window. Then enter the name of the business and the debtor's home town. This will show all of the store locations near the debtor.

- a. The search can also be done with the type of business and the debtor's zip code.
- b. This search can also be used to locate a faxing service, which may help you expedite the sending and receiving of rehabilitation documents, if the debtor wants to fax back his documents but doesn't have a fax at home or access to one at work.

www.thatsthem.com

Use this site to perform free searches by name and address, phone number, or email address.



Thatsthem

Search By: Reverse Phone Email Address Name and Address Social ID IP Address VIN Number

Find People FOR FREE

Find People how you know them

Street address, City, State, ZIP

SEARCH

Advanced People Search

Example: Chris Smith Seattle WA | Example: 818-795-8895 | Example: Millerzack@hotmail.com | Example: 104.207.204.10 (IP Address) | Example: 4a3ak24f06e0007080 (VIN)

www.indeed.com

Use this as an alternative, or in addition to, linked in to find a debtor's self-posted resume.



indeed®

one search. all jobs.

what

Needham Heights, MA

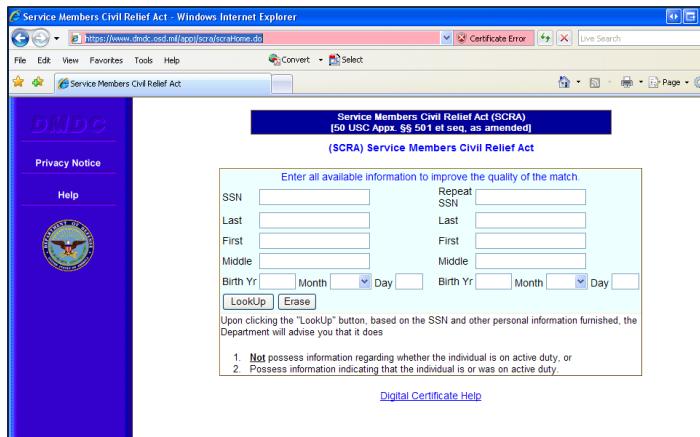
where

Find Jobs

Advanced Job Search

www.dmdc.osd.mil/appj/scra/scraHome.do

This site is useful when you are advised the debtor is in the military. Search by the debtor's name and SSN or date of birth. The purpose of this site is to identify persons who qualify for debt relief under the Servicemember's Civil Relief Act (SCRA – See **Student Loans 101**).



Additional Guidance on Finding the Debtor's Place of Employment

When you are able to contact a debtor at work, they know that we know where they work. Depending on the type of debt being collected, we may be able to leverage this knowledge by reminding the debtor of any forced collection options the client has. (See the module **Forced Collections** for guidelines on how to talk with a debtor about the possibility of garnishment.).

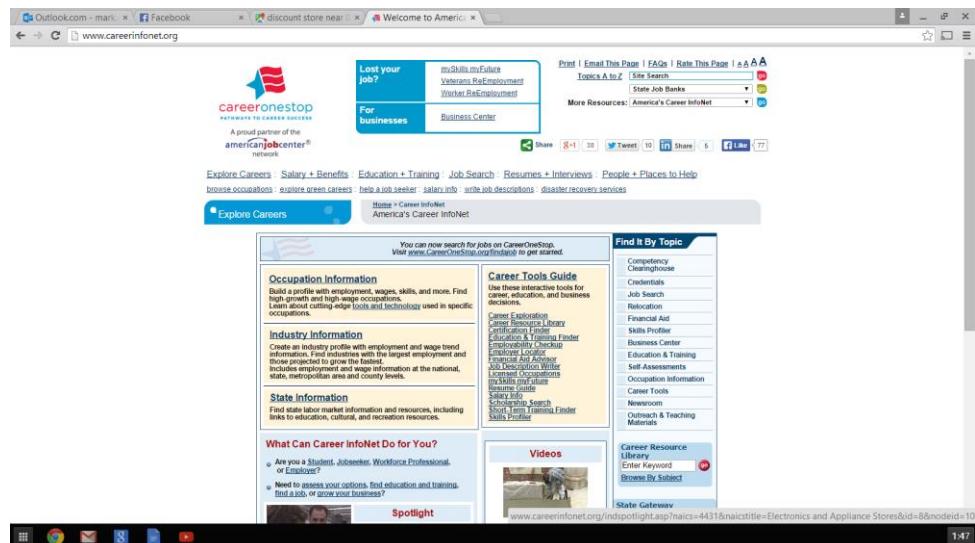
Finding a place of employment (POE) is different from verifying employment. We can find a debtor's place of employment from a number of different sources, including references, relatives, and neighbors. When we *verify* employment for the purpose of initiating Administrative Wage Garnishment, we speak with the company's Human Resources or Payroll Department and we verify by the debtor's Social Security number.

Here are some additional tips to keep in mind when searching for the debtor's employer:

- **People tend to remain in the same career field.** If you find that the debtor has previously been employed in a customer service call center, there is a good chance that they are now employed by another call center. This tendency tends to grow stronger as the debtor becomes older. A debtor under 30 with no dependents may have the freedom to try a new field of employment, while a person over 30 with kids may not.

You may wish to try the website below, which provides job search tools and does not require the user to register. Click on the 'job search' link and enter the criteria the debtor might enter. This will give you the names of a number of employers in the debtor's career field and location.

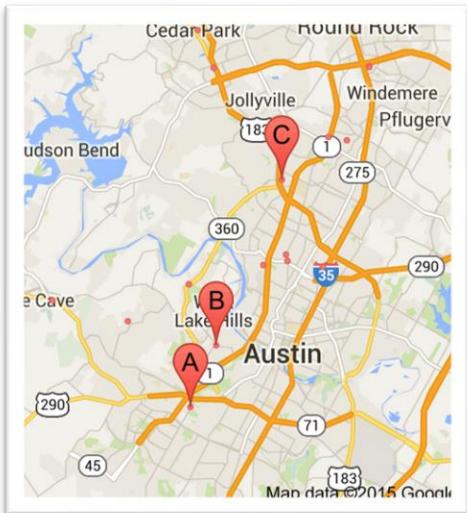
www.careerinfonet.org



- **A debtor may be employed by the same company in a different location.** If a debtor has moved, it doesn't necessarily mean that they have stopped working for their employer.

Example

- You may find the debtors previous employer through the scrubbed information run at time of placement showing that the debtor used to work for Michaels in Eden Prairie, MN.



- The debtor has now moved to Austin, TX. Google tells us there are three Michael's locations in Austin. That's not too many to call, if you really want to find this debtor's employer.
- **Hourly employees tend to work closer to home** than salaried. This is because they are less able to afford a long commute. If you suspect that a debtor works for an employer with multiple sites, use Google Maps to compare various locations to the debtor's address.

To summarize: Finding a debtor and finding a debtor's employer are tasks that draw on your creativity and intelligence. Success depends on your confidence, your assertiveness, and your ability to probe. You can have all of these traits and remain in compliance with all FHC policies.

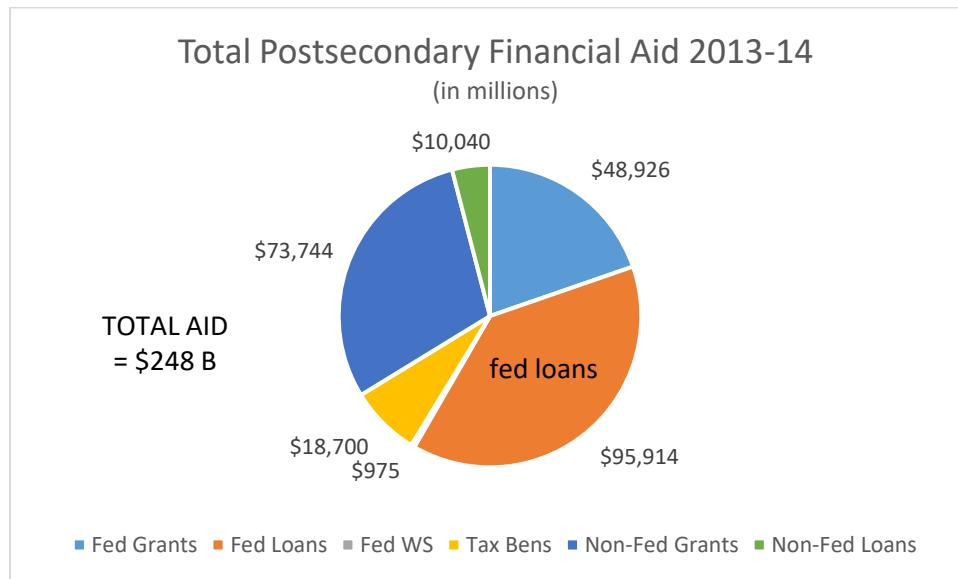
Key Terms

Scrubbing - The confirmation, correction, or addition of contact information through an external vendor.

Skip-Tracing - Investigative work intended to yield new contact information for a debtor.

Student Loans 101

Most students can't afford to go to college without some form of financial aid. As the chart below shows, over \$248 billion of federal and non-federal student aid was disbursed in the academic year 2013-2014. Of that, nearly \$96 billion, nearly 39%, was in the form of federal student loans.



Why This Material is Important

If you can speak intelligently with a debtor about their debt, it bolsters your credibility, which promotes the debtor's confidence in you, which increases the likelihood of a successful repayment arrangement. When a loan comes out of default through loan rehabilitation, the debtor has all the rights and privileges of the federal loan programs restored. To convince the debtor that rehabilitation is their best option (and, in most cases, it will be), you need to be able to convince them of that fact. To do that, you need to know about the rights and privileges that will be restored. You also need to be able to give the debtor accurate information about what they can expect after rehabilitation. This module will give you the background you need.

Title IV

All of the Department of Education's (ED's) financial aid programs are authorized by **Title IV** of the **Higher Education Act of 1965 (HEA)**, which is re-authorized by Congress periodically. This legislation was part of President Lyndon B. Johnson's 'Great Society' domestic agenda and can be viewed as companion legislation to the Civil Rights Act of 1964 and the Voting Rights Act of 1965, in that it gave people from financially disadvantaged families the ability to afford college for the first time.

What We Collect for the Guarantors

We collect debts from four Title IV programs:

- **Federal Family Education Loan (FFEL).** Loans in this program were made by private lenders (banks, credit unions, etc.) and guaranteed by state and not-for-profit guaranty agencies. Although no new FFEL loans have been made since 2010, there are still many billions of dollars outstanding in this program. When a debtor defaults, the lender files a claim with the guaranty agency that has backed the loan. The guaranty agency then tries to collect it, usually through a PCA (FHC collects for several guaranty agencies.). If the guaranty agency holds the loan for five years and has not received a payment for at least two years, it must assign the loan to ED, who, in turn, assigns it to a PCA. This program was formerly known as the **Guaranteed Student Loan Program**.
- **Direct Loan.** In this program, which is the largest single source of financial aid, loans are made and collected by ED. Loans that are not in default are collected by a group of federal loan servicers. When a loan defaults, its servicer assigns it to ED, who then assigns it to a PCA. FHC does not collect on any Direct Loans outside of the ED portfolio.

Loan Types

The vast majority of the debts we collect for the Guarantors are FFEL loans. Each of these programs is comprised of five types of loans, which are identical (or nearly identical) across the programs:

- **Subsidized Stafford.** To the extent the debtor can show a financial need (the school's annual cost of attendance less the amount of aid expected to be provided by the debtor's family), they qualify for a Subsidized Stafford loan. As the name implies, interest that accrues on the loan while the debtor is in school, in their grace period, or in periods of authorized deferments (more on them, later) is paid by ED. The debtor is responsible for interest accruing in all other periods. The amount of the loan is limited not only by the debtor's need, but also by a regulatory Stafford loan limit. Since July 1, 2012, graduate and professional students have not been eligible for Subsidized Stafford Loans.
- **Unsubsidized Stafford.** This loan is not need-based, like the Subsidized Stafford. Instead, its amount is the cost of attendance less the amount the debtor will receive in a Subsidized Stafford loan. It, too, is also limited by the regulatory Stafford loan limit. Unlike the Subsidized Stafford, ED does not pay any of the interest accruing on the loan; that is the debtor's responsibility.
- **Parent PLUS.** This high-interest loan is taken out by a parent or guardian for the benefit of a dependent student. The parent can borrow up to the school's annual cost of attendance.

Cost of attendance for an undergraduate student at Harvard is about \$65,000 for 2014-15. If, however, the student's family earns less than \$65,000 a year, it is expected to contribute \$0.00 to the cost of attendance. The gap between the cost of attendance and the borrower's Stafford loans is made up in institutional aid. This level of institutional support is uncommon.

- **Graduate PLUS.** This loan is for graduate and professional (law, medicine, architecture, etc.) students. Like the Parent PLUS, the debtor can borrow up to the school's cost of attendance.
- **Consolidation.** This loan is used to combine all of the debtor's federal loans into a single loan. All outstanding Title IV loans can be consolidated, as well as non-Title IV federal loans made by the Department of Health and Human Services (e.g., Health Profession and Nursing Student Loans).

Because we offer it as a possible default resolution, we have created a separate module on loan consolidation.

You may, from time to time, see another loan type not listed above, the **Federally Insured Student Loan (FISL)**. As in the FFEL program, FISL loans were made by private lenders. Unlike FFEL loans, they were not insured by guaranty agencies, but directly by ED. Although no loans have been made in this program since 1983, ED still has a number of them in its portfolio.

Applying for Title IV Aid

A debtor's first step in applying for federal aid is their online completion of the **Free Application for Federal Student Aid (FASFA)**. This application contains all the data ED needs in combination with data it already possesses, to determine a debtor's eligibility for all Title IV programs. ED compares the data in the form to data in ED's **National Student Loan Data System (NSLDS)**. NSLDS will tell ED and the debtor's school if the debtor is not eligible for Title IV aid. A student, for example, may not receive additional Title IV funds if they are in default on an existing loan, unless they have made 'satisfactory repayment arrangements' for the defaulted debt (more on this in our modules on Rehabilitation).

If the debtor is eligible, NSLDS produces a report for the school that lists the amounts the debtor may receive in all Title IV programs. The debtor's school then certifies the debtor's eligibility to ED, indicating the total loan amount and the dates on which it should be disbursed. On those dates, ED transfers the certified amounts to the school. The school uses the funds to pay tuition and any other school-based costs (e.g., housing, meal plans) and disburses any funds left over to the student for non-school-based expenses, like personal expenses and transportation costs.

Before the debtor receives any funds – for school-based costs or personal use – they must complete a **promissory note**, which contains all the terms under which the loan is to be repaid. At the beginning of their college career, the debtor will likely complete a **master promissory note**, which will be used for multiple loans made over several years.

Loan Disbursement

Stafford and PLUS loans are disbursed on dates that are close to the beginning of each academic term. If the school uses semesters, the loan will be made in two disbursements. If the school is trimester-based, the loan will be made in three disbursements. Schools that track attendance by hours completed will disburse half of a loan at the beginning of a school year and half when the student has completed half of the hours the student has enrolled for in that year.

Repayment

Stafford loans go into repayment six months after the debtor ceases to be enrolled on at least a half-time basis. This six-month period is called the **grace period**. Technically, PLUS loans (for both parents and graduate students) go into repayment immediately. Debtors are, however, allowed to defer (postpone) repayment until six months after the student's last attendance on at least a half-time basis.

The Consolidation loan, because it is composed of existing loans, goes into repayment as soon as it is made. Unlike other loans, no disbursement is made to the debtor. Instead, disbursements are made to the holders of the debtor's existing loans to pay them off.

When a loan enters active repayment (after the grace or deferment period) any interest the debtor owes on the loan is **capitalized**, i.e., added to the principal balance (the original amount of the loan). In active repayment, the debtor is required to make monthly payments of interest and principal. A payment is first applied to any accrued interest. When interest is satisfied, the remainder of the payment is applied to principal (the amount on which interest accrues). No collection costs are assessed when the loan is not in default.

When a loan is rehabilitated (restored from default), it is transferred by the loan holder, whether by the guarantor or ED, to one of the federal servicers for rehabilitated loans. They are:

▪ ECMC Servicing	877-276-1140
▪ FedLoan Servicing (aka PHEAA)	800-699-2908
▪ Great Lakes Higher Ed	800-236-4300
▪ Navient	800-722-1300
▪ Nelnet	888-486-4722

The servicer contacts the debtor to establish terms for the remaining payments due on the loan. We'll talk more about this transfer in our **Rehabilitation** module.

Interest

Interest is the cost of borrowing. You will see two types of interest rate on the loans we collect.

- **Fixed Interest.** All federal student loans (Perkins, FFEL, and Direct) that were made before July 1, 1994 and after June 30, 2007, have fixed interest rates, meaning that they do not change during the life of the loan.²
- **Variable Interest.** Stafford loans made between July 1, 1994 and June 30, 2007 have variable rates that change every July 1, based on current yields of US Treasury securities.

Currently, ED establishes a fixed interest rate for all loans - except Consolidations – made in the academic year (July 1 through June 30). Because Direct Loans are financed by Treasury securities, and because the standard repayment period for loans is 10 years, the fixed rates are based on the yields of 10-year Treasury bonds traded just before the beginning of the academic year. They are also based on the debtor's academic level

For the academic year 2014-2015, the fixed rates are:

² An interest rate can be changed by judicial action. As part of a discharge order, a bankruptcy judge may reduce a borrower's interest rate to one that is more in line with their difficult financial situation.

Undergraduate Stafford loans (Subsidized and Unsubsidized):	4.66%
Graduate and Professional Unsubsidized Stafford loans ³ :	6.21%
All PLUS loans (Parent and Graduate/Professional):	7.21%

The interest rate on a Consolidation loan is the weighted average of the loans that have been consolidated. We get into the exact formula for this rate in our **Consolidation** module.

Postponing Payments

Often, a debtor is not able to make the payments due on their loans. Fortunately, a debtor who is *not* in default can apply to postpone repayment, either through a **deferral** or a **forbearance**.

Deferral

A deferral is a means of postponing payment due that is the debtor's *by right*: If the debtor can prove their eligibility, the servicer must grant it to him. There are 19 deferral types described in the federal student aid regulations. Most of these are available only to debtors who took out their loans a long time ago. You need to know about the four deferral types that are most used by today's debtors:

- **In-school.** If a debtor enters repayment and then returns to school on at least a half-time basis, they can get an **in-school deferral**. Normally, the deferral is granted automatically, with no action required of the debtor. Stafford promissory notes contain the debtor's request for an in-school deferral as long as they are eligible for one. All servicers receive periodic updates from the Student Clearinghouse, which provides current enrollment data for all debtors with outstanding loans. The servicer is *supposed* to use this data to grant an in-school deferral. Sometimes it doesn't work as smoothly as it's supposed to, and the debtor may be required to contact the servicer for this type of deferral. There is no time limit on the in-school deferral; it can be granted for as long as the debtor remains enrolled at least half-time.
- **Unemployment.** The **unemployment deferral** is time-limited. A debtor may receive this deferral up to a 36 months over the life of the loan if they can show that they are not working full-time (at least 30 hours a week) and are conscientiously seeking full-time employment. The debtor must apply for this type of deferral.
- **Economic hardship.** Like the unemployment deferral, the **economic hardship deferral** is limited to a 36-month cumulative total. It is a benefit that is separate from, and in addition to, the unemployment deferral. This means that a chronically unemployed or under-employed debtor may use all 36 months of the unemployment deferral and then obtain up to 36 additional months of economic hardship deferral. A debtor applying for this type of deferral must demonstrate that they meet at least one of the following criteria:
 - have been granted an economic hardship deferral under another loan program (FFEL or Perkins);
 - are receiving either state or federal public assistance (e.g., SNAP);

³ Remember: Graduate and professional students are not eligible for Subsidized Stafford loans.

- are working, but have an annual income under 150% of the poverty guideline for their state and family size; or
- either are, or will become, a Peace Corps volunteer.

- **Military service.** The **military service deferment** is available to persons on active duty, or involved in qualifying National Guard duty, during a military operation or national emergency. There is no time limit for the military service deferment: The debtor is granted the deferment for the duration of their eligibility. The debtor also receives a 180-day, post-service, 'demobilization' deferment. Unlike other deferments, the debtor does not have to apply for the military service themselves: a family member can do it for them.

During periods of authorized deferment, the interest accruing on Subsidized Stafford loans is 'paid' by ED. For all other loan types, interest accruing in deferment periods is the debtor's responsibility.

All of the federal servicers have the application forms for all deferment types on their websites.

Forbearance

The most accurate way to define forbearance is to say that it is a means of postponing repayment that is not a deferment. There are four types of forbearance:

- **Discretionary.** As the name implies, the **discretionary forbearance** is granted at the discretion of the servicer. The debtor completes an application asking for a temporary respite from payments (usually for temporary financial hardship) and promising to resume payments after the forbearance period. Federal servicers are directed by ED to not grant more than 36 months of discretionary forbearance over the life of a loan. A debtor, however, may appeal to ED for additional months for extraordinary circumstances.
- **Mandatory.** The **mandatory forbearance** is like a deferment, in that it is the debtor's *by right*, if they can prove their eligibility. This type of forbearance is most often used for periods of medical internship and residency. An internship/residency forbearance is limited to 24 months. Other types of mandatory forbearance are for debtors who are in active military service, but who don't qualify for a deferment; and for debtors who will qualify for some form of loan forgiveness. The length of such forbearances depends on the length of the program the debtor is involved in.
- **Administrative.** The debtor doesn't apply for an **administrative forbearance**; it is given to them automatically. This forbearance type is most often used to cover periods of delinquency that are not covered by a deferment or other type of forbearance. For example, a debtor may be delinquent in payments from January 10, 2015. They return to school full-time on March 25, 2015 and is granted an in-school deferment from that date. The period between January 10 and March 25 is not covered either by payments or deferment. While the servicer is not *required* to do so, it will usually grant an administrative forbearance for that period, so the debtor doesn't come out of the deferment 2 ½ months past due. ED does not impose a limit on the number of months that can be granted in administrative forbearances.

- **Mandatory administrative.** This type of forbearance is granted to debtors who have been affected by a natural or man-made disaster (e.g., hurricane, terrorist attack). ED directs its servicers to grant forbearances to debtors living in affected zip codes. Like other administrative forbearances, the debtor does not have to apply for it.

Repayment Plans

One of the key advantages of rehabilitation is that the debtor, no longer in default, can apply for a variety of repayment plans that can reduce their monthly payments either by extending the repayment period, or having the payment amount based on their annual income. The Direct Loan program (which includes all of ED's rehabilitations) has six repayment schedules.

- **Standard.** This is sometimes call a 'flat' repayment schedule because the monthly payment amount does not change – significantly - during the entire repayment period.⁴ If a debtor does not request another type of repayment, this is the schedule the servicer will, by default, provide to the debtor. It is, therefore, *essential* that the debtor who wants or needs a small monthly payment contact the servicer immediately after rehabilitation. The maximum repayment period under the standard plan schedule is 10 years. A rehabilitation debtor, however, will qualify for only 9 years, because the first 12 payments of the Standard 10-year period have been used in the 9 payments leading to rehabilitation, and the first three payments made to the new servicer following rehabilitation. During this three-month period, the debtor's payment amount doesn't change.
- **Graduated.** In this type of schedule, the debtor starts out with smaller payments (often covering only accrued interest) and 'graduates' to higher amounts as the repayment period progresses. This plan is based on the reasonable assumption that the debtor's ability to pay increases over time as their income increases.
- **Extended.** If the debtor has outstanding federal loans totaling more than \$30,000 (not uncommon), they may elect to extend their repayment period to 25 years. They may also elect to have a single payment amount for the entire period or have a 25-year graduated plan.
- **Payment Plans Based on Income.** There are three repayment plans in Direct Loans that are based on the debtor's income. In general, the lower the income, the lower the payment. They are:
 - **Income-Contingent Plan**
 - **Income-Based Plan**, and
 - **Alternative Plan (aka 'Pay as You Go')**

The rules for these plans are fairly complex, so we won't get into them here. Also, not all plans are available to all debtors. Therefore, when you talk with a rehabilitation candidate, simply mention these plans – or the fact that Direct Loans has several options based on income - and encourage the debtor to contact their servicer right after rehabilitation to discuss which, if any, is right for them.

⁴ With variable-rate loans, monthly payment amounts may have to be changed to accommodate annual changes in interest rates.

Loan Forgiveness

Another beautiful benefit of being out of default is that you can have a portion or *all* of your student loan debt forgiven. Loan forgiveness is different from discharge or write-off in that the debtor *earns* the forgiveness through service. The two types of forgiveness in Direct Loans are intended to encourage more college students to go into teaching or other forms of public service.⁵ They are:

- **Teacher Service.** A student debtor (Stafford or Grad PLUS, but not Parent PLUS) who teaches full-time in a low-income elementary or secondary school for five consecutive years may be eligible to have up to \$17,500 of their Stafford and Grad PLUS Loans forgiven.
- **Public Service.** A debtor who is continuously employed in a qualifying public service job and has made 120 payments – under *any* qualified repayment plan – may be eligible to have their *entire* Direct Loan debt forgiven.

EXAMPLE

Susan grew up on an Indian reservation. It has been her life-long dream to help her family and friends by practicing medicine in the reservation clinic. Through medical school, Susan racked up \$189,000 in loans. When she entered repayment, she applied for Income-Based repayment, and her monthly payment amount was \$259, or about 8% of her AGI of \$37,500. She also applied for Public Service loan forgiveness. After 10 years of service in the not-for-profit clinic, she reduced the principal of her loans to \$167,000. That is the amount that ED forgave. Susan paid off her original debt of \$189,000 with payments totaling \$31,080 plus 10 years of valuable service to her community.

As with repayment plans, the rules for these forgiveness programs are fairly complex. For our purposes, you just need to know the basics to sell the benefits of rehabilitation. Encourage your rehabilitation candidate to contact their servicer right after rehabilitation for more details.

Further Reading

If you're interested in learning more about any of the topics in this module, you may want to check out the following websites. You should also refer debtors to these sites when they want to know more:

- **myeddebt.com.** This is the best website for informing defaulted debtors of their options. From this site's 'Loan Locator' link, the debtor can also access the **National Student Loan Data System (NSLDS)** to find out the statuses and servicing locations of all their student loans.
- **studentloans.gov.** This is ED's introductory site for student debtors. It gives decent summaries of loan types, deferments, forbearances, and repayment plans.
- **studentaid.ed.gov.** The topics that are summarized in studentloans.gov are described in greater detail on this site.

⁵ ED is not the only federal department that offers loan forgiveness. The Defense Department and the Department of Health and Human Services also have forgiveness programs.

- **finaid.org.** This private (non-ED) site provides user-friendly descriptions of all forms of student aid, including grants, scholarships, and non-federal loans.

Key Terms

Administrative Forbearance. A forbearance that is used to 'cover' months in a repayment schedule that are not covered by payments, deferments, or other types of forbearance. It is most often used when a deferment is granted on an account that is delinquent (behind in payments).

Alternative Repayment (aka 'Pay as you Go'). One of three income-driven repayment plans offered by ED. For more information, visit studentloans.gov.

Capitalization. The adding of accrued interest to the principal balance of a loan. When interest is capitalized, the debtor begins paying interest on a higher balance.

Consolidation loan. A loan that combines all of a debtor's federal loans into one.

Deferment. A means of postponing payments due on a student loan that is the debtor's *by right*.

Direct Loan. A loan made by ED. The Direct Loan program is the largest single source of student financial aid.

Disbursement. The means of getting financial aid money to the school and debtor. A school's disbursement schedule will be based on its academic terms (e.g., semester, quarter, etc.).

Discretionary Forbearance. A postponement of payments for temporary financial hardship granted at the discretion of the debtor's servicer. ED has imposed a 36-month limit on discretionary forbearances.

Economic Hardship Deferment. A deferment available to a debtor who is experiencing economic hardship. This deferment is separate from, and in addition to, the unemployment deferment. Its maximum cumulative duration is 36 months.

ED. The abbreviation we use for our client, the US Department of Education.

Extended Repayment. A repayment plan of up to 25 years that is available to debtors who have more than \$30,000 in outstanding loans.

Federal Family Education Loan (FFEL). A federally-backed student loan made by a private lender and guaranteed by a state or not-for-profit **guaranty agency**. Formerly known as a **Guaranteed Student Loan**.

Federal Perkins Loan. A low-interest federal loan that is disbursed by the debtor's school. Formerly called a **National Direct Student Loan**.

Federally Insured Student loan (FISL). A loan made by a private lender and insured directly by ED. There have been no new FISLs made since 1983, but there are still some on ED's system.

Fixed Interest Rate. An interest rate that does not change for the duration of the repayment period.

Forbearance. A means of postponing payments due on a student loan that is not a deferment.

Free Application for Federal Student Aid (FAFSA). The online application that is the first step in the financial aid process. Results are emailed to the student and transmitted to schools selected by the debtor.

Grace Period. On a Stafford loan (subsidized and unsubsidized), the six-month period that follows the debtor's ceasing to be enrolled at least half-time. During the grace period, no payments are required of the debtor.

Graduate PLUS loan. A loan to a graduate or professional student that can be made up to the entire cost of attendance for one academic year.

Graduated Repayment. A plan in which the payment amount increases over time. In this plan, no payment amount can be greater than three times the amount of the smallest scheduled payment.

Guaranteed Student Loan. See **Federal Family Education Loan**.

Guaranty Agency. A state agency or not-for-profit private company that insures loans made under the Federal Family Education Loan Program. A guaranty agency's insurance losses are backed by reinsurance from ED.

Income-Based Repayment. One of three income-driven repayment plans offered by ED. For more information, visit studentloans.gov.

Income-Contingent Repayment. One of three income-driven repayment plans offered by ED. For more information, visit studentloans.gov.

In-School Deferment. A deferment available to a student who has returned to school at an eligible institution on at least a half-time basis. There is no maximum duration for the in-school deferment. The debtor *usually* does not have to request this deferment.

Mandatory Administrative Forbearance. A forbearance that is granted at the direction of ED to debtors who may have been affected by a natural or man-made disaster.

Mandatory Forbearance. A forbearance that must be granted to the qualified applicant. The most common mandatory forbearances are granted to medical interns and residents, and to debtors who are in the process of qualifying for certain loan forgiveness programs.

Military Service Deferment. A deferment available to a member of US Armed Forces who is on active duty in a military operation. This deferment, which has no maximum duration, also includes a 180-day 'post-mobilization' deferment. This deferment type can be requested by a family member.

National Direct Student Loan. See **Federal Perkins Loan**.

National Student Loan Data System (NSLDS). A database of ED financial aid awards. A record for a debtor contains the amounts of all grants and loans made to the debtor and their statuses.

Parent PLUS loan. A loan made to a parent or guardian for the benefit of a student. The loan can be made for up to the student's full cost of attendance for one academic year.

Pay as you Go Repayment. See **Alternative Repayment**.

Pell Grant. A grant made by ED to a student who has demonstrated financial need.

Private Collection Agency (PCA). A company contracted with by lenders to recover defaulted debts. Our company is a PCA.

Standard Repayment. A repayment plan in which the monthly payment amount does not change significantly for the duration of the plan. The Standard Plan usually lasts for 10 years. For debtors who have rehabilitated, the plan has a maximum of nine years.

Subsidized Stafford loan. A loan made to a student who demonstrates financial need. Interest accruing on this loan is 'paid' by the government during in-school, grace, and deferment periods. It is currently available only to undergraduate students.

The Higher Education Act of 1965. The federal statute that authorizes all of ED's financial aid programs. This legislation was part of Lyndon Johnson's 'Great Society,' and was companion legislation to The Civil Rights Act of 1964 and The Voting Rights Act of 1965.

Title IV (of the Higher Education Act of 1965). This is the part of federal law that authorizes all financial aid programs of the US Department of Education (ED).

Unemployment Deferment. A deferment available to a debtor who is not working full-time (at least 30 hours a week) and is actively seeking full-time employment. The maximum cumulative duration of this type of deferment is 36 months.

Unsubsidized Stafford loan. A student loan available to undergraduate and graduate students that is not need-based. All interest accruing on the loan is the responsibility of the student.

Variable Interest Rate. An interest rate that changes every July 1. The rate is based on the auction rate of Treasury securities traded in May.

Best Practices in Document Gathering

How to Maximize the Return of Documents

Documents are just as important as payments. The best way to ensure the timely return of documents is to make sure the debtor understands their responsibilities *during the talk-off*. Follow these guidelines and tips to ensure that all documents are returned as quickly as possible.

- **Make your goal getting the financial documents handled while still on the phone.** It's not only possible, but also frequently done.
- **Get the debtor to obtain their tax transcript from irs.gov**
If you are working with a debtor who appears to be computer savvy, and they can't lay their hands on their tax return immediately, have them obtain their tax transcript directly from the IRS's website. Complete instructions for obtaining a transcript are toward end of this chapter.
- **Use Veri-Tax.** If you are working with a debtor that you think might have trouble navigating the IRS self-service option, get their tax transcript through our vendor, Veri-tax. Instructions for using Veri-tax are at the end of this module.
- **Use fax.** This communications miracle of the 1980's still gets a lot of play in rehabilitation. If you're calling the debtor at their place of employment, there's a good chance there's a fax available. Use it to send and receive documents.
- **Use the debtor's smartphone and email.** We can accept photos of any completed and *signed* document, attached to an email, provided they are legible.
- **Be assertive.** Don't coddle the debtor by suggesting that they get the documents back whenever they are able.⁶ Tell them you'll be looking for the documents tomorrow (or the next business day). Don't, however, imply that there is a deadline (We don't want the debtor to think that the opportunity to rehabilitate passes if they miss the date.). But, *do* stress the urgency, telling them that, once we have all the documents in, we can know we're on the right track.
- **Don't forget the follow-up call.** If the debtor doesn't get the documents back to you right away, call them. It doesn't do any good to *tell* the debtor this is urgent if *you* don't regard it as urgent. Reaching the debtor at their place of employment with this call has the advantage of catching the debtor when they are near a fax machine.

⁶ Use your common sense in setting a 'target date.' If, for example, the borrower is travelling and won't have email access for two days, then set a target two days from now.

- **Leave messages when following up.** Don't be afraid to leave a message for the debtor; they should be expecting your call if they haven't returned their documents. Just make sure that your message is left at a number that the debtor has already authorized for messages. Remember, FHC requires the FOTI script to be used for any message being left on the debtor's voice mail.

Talking Points for Documents

The best way to ensure that we get documents back is to let the debtor know what's expected of them and why.

- **Explain why docs are so important.**
Create urgency by telling the debtor that the documents are just as important as the payments.
"If we don't have all the documents we discussed back from you completed and signed, there can be no rehabilitation."
- **Make sure the debtor understands the need to be accurate.** *"Keep in mind that we will base your payment amount on the figure that you give me for your adjusted gross income (AGI), so, we need to make sure that, when we get your document back, it doesn't show a higher AGI, because that would mean we'd have to re-calculate your payment and start over. So, if you're uncertain about your AGI, let's estimate a bit high."* If you think the debtor may not be estimating AGI correctly, ask the debtor for the gross pay amount (not take-home) appearing on his latest pay stub. Use the Pay Stubs Analyzer worksheet to convert the amount into the debtor's annual gross income.
- **Make sure the debtor understands the need to keep demographic information up to date.** [After verifying address, phone, email address, which you MUST do with every debtor contact:] *"If any of this information changes, it's essential that you call us to give us the changes. If we don't have your information correct, it could jeopardize your rehabilitation. We will also be passing your information on to the new servicer you get after rehabilitation. If they don't have your address correct, you could miss the critical documents from them."*
- **Set a specific date when you expect to see the document(s) back.** Make the date as soon as you think the debtor will be able to get them back. *"The sooner you get your documents back to us, the sooner you can rest assured that the payment amount is OK, and the sooner you can start planning for your life after default. I'm expecting to have your signed RAP by tomorrow.⁷ If I don't have it, I'll give you a call back. I don't want to bug you, but it's important we get it back right away."* Don't mislead the debtor by suggesting the deadline is regulatory, or that we won't rehabilitate their loans if they miss the deadline. *"If we don't get all your documents back, we're going to keep trying to reach you, so get them back ASAP, OK?"*

⁷ Don't set the target for tomorrow if you know the borrower isn't going to be able to get documents back in by then. Be urgent, but realistic.

- **Give the debtor a to-do list.**

During the call, you should assemble a list of everything we will need from the debtor. Go over the list with the debtor. Here are some suggestions for talking about the various documents.

Veri-tax: *"You will receive an email from Veri-tax. It will ask you to give permission for us to receive information on the tax return that you filed for [the tax year you discussed with the debtor]. All you have to do is enter the last four digits of your SSN to get into the form. It's very easy."*

RAP Statement of Financial Status:

It is FHC's practice to have the collector complete a fillable PDF version of the RAP form while on the phone with the debtor. Once completed, the collector will submit the form to the Rehab Servicing Department and Compliance. Once Compliance has verified the information provided during the phone call matches that on the RAP form, Rehab Servicing will send the form to the debtor.

In the event that the debtor has requested this document to be provided through alternative means, follow the suggestions below:

- **Online:** *"Go to fhcann.com. Click on the Debtor button, click on 'Forms.' Scroll down under 'Miscellaneous Forms' and click on [either 'Alternative Documentation of Income' or 'Statement of Financial Status.' Let's go over the form together."*
- **By fax:** *"We're faxing the form to you right now. I'll stay on the line so I can go over it with you."*
- **By email:** *"We're sending you an email. Attached is a pre-printed form. Open the attachment so we can go over it together."*
- **By first class mail (not preferred):** *"We're mailing you the form. It should arrive in the next few days. Open it right away and call me to go over it."*

Rehab Agreement: *"We'll send you this letter after we get your financial documents back and are sure that the payment amount we have set up for you is correct. Call me to confirm that you've gotten it. I'll be happy to go through it with you."*

Getting a Tax Transcript from irs.gov

A debtor may obtain a transcript for a recent tax year at irs.gov/individuals/get-transcript. This is done through six easy-to-follow steps.

The debtor first selects whether they want to get their transcript online or by mail. We want them to select 'online.'

The debtor must then create a login. To do this, they enter their name and email address twice.

Step 1 of 6: Personal Information

All fields are required.

First Name

Last Name

Email Address

Re-Enter Email Address

A confirmation code will be sent to your email address.

CANCEL

SEND EMAIL CONFIRMATION CODE >

This generates an email to the debtor that contains a confirmation code that the debtor uses in creating the login. The debtor enters the code and clicks 'continue.'



Step 2 of 6: Confirmation Code



Do not close this browser window, or you will have to restart the process.

- A confirmation code will be sent to your email address within the next 10 minutes.
- Check your spam folder if you do not receive an email.
- Open your email in another browser window:
[Gmail](#) [Outlook](#) [Yahoo](#) [AOL](#)

Enter Confirmation Code

CANCEL

CONTINUE >

The debtor supplies personal information that includes, name, date of birth, SSN, address, contact information and filing status for the transcript being requested (e.g., filing jointly).

Step 3 of 6: Personal Information

This information is used for identity verification purposes only. The information is recent tax return.

Personal Information

First Name

  [Edit](#)

Last Name

  [Edit](#)

Email

Social Security Number (SSN) or Individual Tax ID Number (ITIN)

 — —

Date of Birth

 Month  Day  Year

Filing Status

I have filed a tax return in the past seven years

Filing status from your most recently filed tax return 

I have not filed a tax return in the past seven years

The debtor will be asked to specify their filing status (e.g., jointly) for the transcript they're requesting.

The debtor must also specify whether they want to log into their account for the transcript, or request it as a 'guest.' To avoid delay, the debtor should always specify that they want to log in.

Login Options

Create a User ID and Password.

A User ID and Password will allow you to skip entering this information when you access the system.

Proceed as guest.

Proceeding as guest will require you to enter this information every time you access the system.

CANCEL

CONTINUE >

The debtor will then be asked a series of multiple-choice security questions to assure that they are who they say they are. They will also be asked to create four security challenge questions that would be used in the case of a lost password.

Step 4 of 6: Personal Information

Almost done - we need additional information about you to ensure that you are the right person

All fields are required. This information is being validated by a third party.

In what state was your SSN issued?

ALABAMA

IDAHO

MAINE

NEW JERSEY

NONE OF THE ABOVE

The debtor will then be asked to set up a user name and password for their 'account.'

Step 5 of 6: Security Profile

All fields are required.

User ID and Password

User ID

Password

Re-enter Password

Enter a User ID of your choice. The User ID cannot be an email address, SSN, or contain a space, or special character (!@#\$%^&*).

Password Rules:

- At least 8 characters long.
- Must contain at least one numeric and one special character (!@#\$%^&*).
- At least one uppercase and at least one lowercase letter.
- Matching password must be re-entered.

The debtor will then be asked why they want the transcript. They should select 'other' from the drop list. When they click 'continue' they will see their transcript.



This Product Contains Sensitive Taxpayer Data

Request Date: 04-16-2015
Response Date: 04-16-2015
Tracking Number: 100247981592

Tax Return Transcript

SSN Provided: -1054
Tax Period Ending: Dec. 31, 2013

The following items reflect the amount as shown on the return (PR), and the amount as adjusted (PC), if applicable. They do not show subsequent activity on the account.

SSN:
SPOUSE SSN:

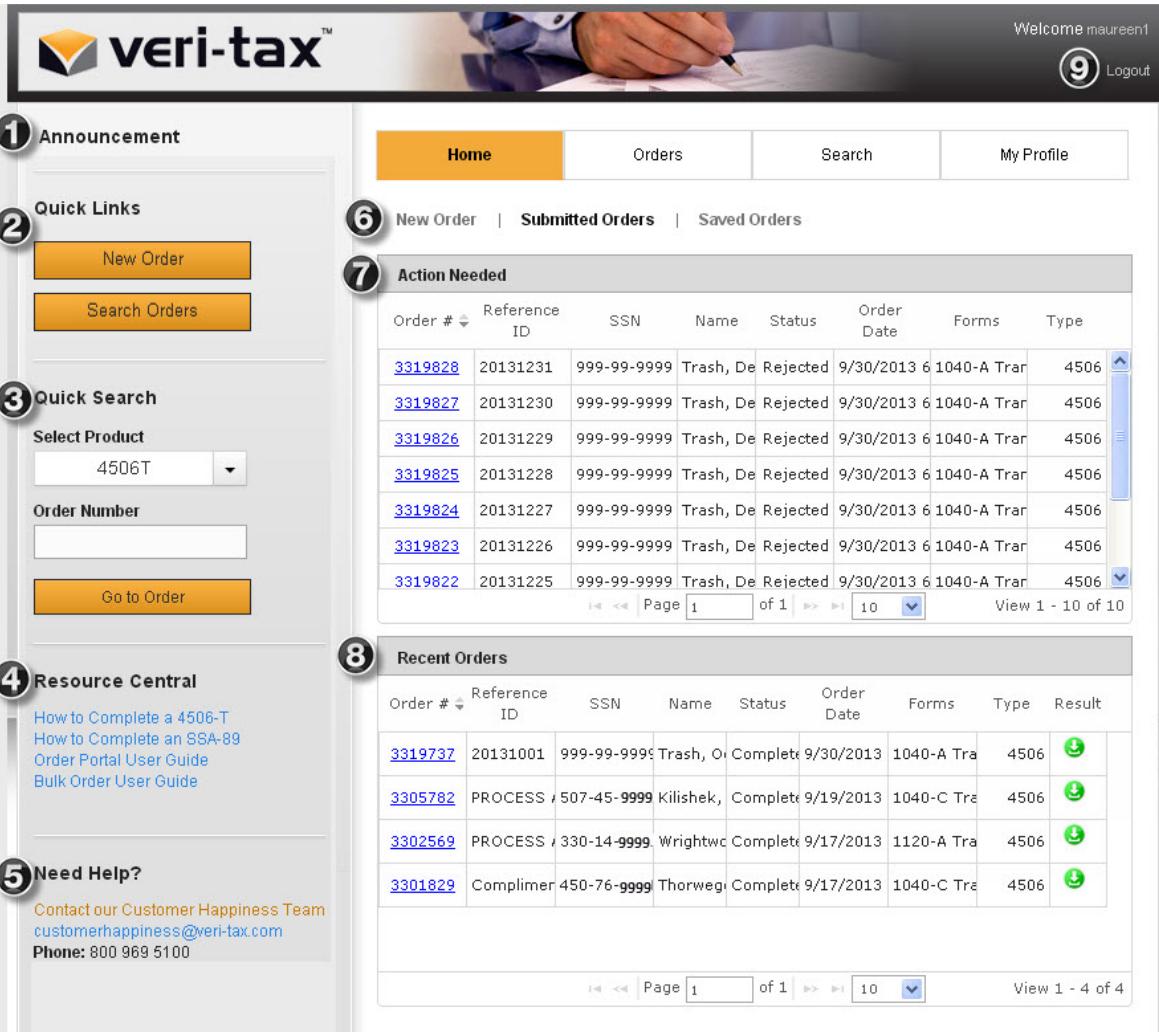
NAME(S) SHOWN ON RETURN:

ADDRESS: 205 ST
ST AUGUSTINE, FL 32080-

The debtor will save this PDF and email it to us.

Using Veri-Tax

The Home Screen



The screenshot shows the Veri-Tax Home Screen with the following sections and numbered callouts:

- 1 Announcement:** A box containing notifications and processing alerts.
- 2 Quick Links:** Buttons for "New Order" and "Search Orders".
- 3 Quick Search:** Fields for "Select Product" (set to 4506T) and "Order Number", with a "Go to Order" button.
- 4 Resource Central:** Links to "How to Complete a 4506-T", "How to Complete an SSA-89", "Order Portal User Guide", and "Bulk Order User Guide".
- 5 Need Help?** Contact information: "Contact our Customer Happiness Team", "customerhappiness@veri-tax.com", and "Phone: 800 969 5100".
- 6 Home:** Main navigation menu with "Home", "Orders", "Search", and "My Profile".
- 7 Action Needed:** A table of pending orders. The first row is selected (highlighted in blue). The table has columns: Order #, Reference ID, SSN, Name, Status, Order Date, Forms, Type, and a small blue arrow icon.
- 8 Recent Orders:** A table of completed orders. The first row is selected (highlighted in blue). The table has columns: Order #, Reference ID, SSN, Name, Status, Order Date, Forms, Type, and a small green circular icon with a checkmark.

At the top right of the screen, it says "Welcome maureen!" and has a "Logout" button.

FIELDS:

- Announcement:** Veri-tax updates this field with notifications and processing alerts.
- Quick Links:** Use the two links shown here to create a new order or to search orders.
- Quick Search:** Choose product '4506T' and enter your order number to quickly view order details.
- Resource Central:** Links to user guides and product information.
- Need Help:** Veri-tax contact information. Don't use this number directly, but see your supervisor with any problems you encounter.

6. **Order Toolbar:** Click buttons to begin a new order, view submitted orders in process, or view saved orders.
7. **Action Needed Section:** Displays the last 14 days of orders in Not Received, Rejected, or Problem status sorted by order date.
8. **Recent Orders Section:** Displays the most recent 14 days of orders in Completed, In Process, or Received status (archived orders are not included).
9. **Logout:** Click to log out.

Placing a New Order

veri-tax™

Welcome NUOpt1

Logout

Announcement

2012 Tax Transcript Requests: 2012 tax transcripts are not available until 2-3 weeks after a taxpayer e-files and 6-8 weeks after filing by mail. If an order is requested prematurely, the IRS will return a "No Record of Return Found." Wage and income data (W-2, 1099, 1098) is expected to be available in July 2013. We closely monitor all updates from the IRS, and will share any new developments as information becomes available.

Quick Links

New Order

Search Orders

Quick Search

Select Product: 4506T

Order Number:

Go to Order

Resource Central

How to Complete a 4506-T
How to Complete an SSA-89
Order Portal User Guide
Bulk Order User Guide
Order Bankruptcy and Flood

Need Help?

Contact our Customer Happiness Team
customerhappiness@veri-tax.com
Phone: 800 969 5100

Orders

New Order | Submitted Orders | Saved Orders

Type: Individual | Joint | Business | Bulk 4506-T Order

Select One or More Product(s)

Income Verification (4506-T) SSN Match
 Mortgage Fraud Report SSN Deluxe
 Verification of Employment SSN Match Direct(SSA-89)

Reference ID: Doe003

Applicant

First Name*: John

Last Name*: Doe

SSN*: 123456789

Email: jdoe@email.com

Confirm Email: jdoe@email.com

Address: 123 Main Street

City: Los Angeles

State: CA Zip: 90210

Previous Address

Address: 908 Broadway

City: Irvine

State: CA Zip: 92614

Would you like to e-sign the 4506-T form?

Yes No

Save and Continue

Step 1 of 3 (33% Complete)

There are three steps to creating an order.

Step 1

- a. Under the 'Orders' menu, click on the 'New Order' tab.
- b. Choose the type of order: either 'Individual' or 'Joint.'
- c. Select Income Verification (4506-T)
- d. Enter the debtor's Artiva account number.
- e. Applicant/Co Applicant: All fields with asterisks are required. The debtor's email address is, for us, also required.
- f. For 'Would you like to e-sign the 4506-T form?' Select 'Yes.'
- g. Click 'Save & Continue' to move on to Step 2.

Step 2

Home **Orders** Search My Profile

New Order | Submitted Orders | Saved Orders

Product Type 2012 2011 2010 2009 Transcript Type Selected Individual

4506-T Income Verification - John Doe

<input checked="" type="checkbox"/> 1040	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	A (Return Transcript)	Applicant
<input type="checkbox"/> 1040 Plus Wages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A (Return Transcript)	Applicant
<input type="checkbox"/> Wages and Income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Applicant
<input type="checkbox"/> Verify Tax Filing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Applicant

Back Save and Continue

Step 2 of 3 (66% Complete)

- a. Product type: Check '1040.'
- b. Years: Check the box under the tax year requested. The illustration above shows two years being requested. We only need one year.
- c. Choose transcript type: Select Return Transcript (4506-T Box 6a) from the drop list.
- d. Select Individual: Select applicant, co-applicant, married, or both. For a joint filing, select applicant or married. If the individuals filed separately, select "Both" to order both individuals' tax transcripts.
- e. Click 'Save & Continue' to complete step 2. Click Back to return to previous screen.

Home	Orders	Search	My Profile
------	--------	--------	------------

[New Order](#) | [Submitted Orders](#) | [Saved Orders](#)

Saved Orders						
Name	SSN	Type(s)	Years	Reference ID	Upload Form	Action
John Doe	****-**-6789	1040	2012,2011	Doe003		Edit Remove

Page 1 of 1 | [View 1 - 1 of 1](#)

[Back](#) [Submit Order](#)

Step 3 of 3 (90% Complete)

Step 3

- a. Saved orders will be displayed.
- b. Click 'Edit/Remove' to edit or remove your order.
- c. Click 'Submit Order'.
- d. Once submitted, all applicants will receive an e-sign request via email within 10 minutes.

E-signing

veri-tax™

Veri-tax LLC has sent you an electronic signature request.

Please review and electronically sign the Form 4506-T using Veri-Tax's eSign solution. For added security, **the form is password protected and can be unlocked by using the last 4 digits of your SSN (or EIN for business requests).**

[Click here to review and eSign](#)

If you need additional information on how to complete your 4506T form, please click here: [How to Fill Out a 4506-T](#)

Thank you for your promptness in this matter!

If you have any questions or need help, please contact our Customer Happiness Team at 800-969-5100 or email to customerhappiness@veri-tax.com

1. The debtor will receive an email instructing them to electronically sign the 4506-T.
2. The email will be sent from Veri-tax (info@taxverification.com) with the Subject: 4506-F Form E-Sign Request.
3. The debtor must click on the “Click here to review and e-sign” link.

Please e-sign: the 4506-T form.
Your signed form will be sent to Veri-Tax LLC

This Document is Password Protected

You need a password to access this document. If you don't have a password, you will need to contact [Veri-Tax LLC](#) to obtain it.

[OK](#)

4. The applicant will be prompted to enter a passcode for the purpose of authentication. The passcode is the last four digits of their Social Security number.

Please e-sign: the 4506-T form.

Your signed form will be sent to Veri-Tax LLC

1. Review the document.
2. Fill out any required fields.
3. Click the button at the bottom to e-sign.

You need to [sign in 1 location\(s\)](#).

4506-T

Form
(Rev. September 2013)
Department of the Treasury
Internal Revenue Service

Request for Transcript of Tax Return

OMB No. 1545-1872

► Request may be rejected if the form is incomplete or illegible.

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Return or Account Transcript" or call 1-800-906-9946. If you need a copy of your return, use Form 4506, Request for Copy of Tax Return. There is a fee to get a copy of your return.

Start

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
Doe, John	123456789
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
123 Main Street Los Angeles, CA 90210	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
908 Broadway Irvine, CA 92614	
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Tax Verification Services 30 Executive Park, Suite 200 Irvine, CA 92614

Caution. If the tax transcript is being mailed to a third party, ensure that you have filled in lines 6 through 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your tax transcript to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your transcript information, you can specify this limitation in your written agreement with the third party.

- 6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ► **1040**
 - a Return Transcript, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days.
 - b Account Transcript, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days.
 - c Record of Account, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days.
- 7 Verification of Nonfiling, which is proof from the IRS that you did not file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days.
- 8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2011, filed in 2012, will likely not be available from the IRS until 2013. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days.

Caution. If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

- 9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately. **2013** **2012**

Check this box if you have notified the IRS or the IRS has notified you that one of the years for which you are requesting a transcript involved identity theft on your federal tax return.

Caution. Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. Note. For transcripts being sent to a third party, this form must be received within 120 days of the signature date.



Click to Sign

05/13/2013

Phone number of taxpayer on line 1a or 2a

Sign
Here

Signature (see instructions)

Date

Title (if line 1a above is a corporation, partnership, estate, or trust)

Spouse's signature

Date

Sign

5. Once the applicant is authenticated, the 4506-T form displays.
6. Applicant should confirm that their SSN and addresses are correct and make edits as needed.
7. Applicant must click on the signature section of the form to sign.

① Enter Your Name
John Doe

② Review Your Signature
John Doe
John Doe (May 10, 2013)

③ **Apply** [Cancel](#)

8. The debtor must type their name in the text field and click "Apply"

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. Note. For transcripts being sent to a third party, this form must be received within 120 days of the signature date.

Sign Here **Sign**

John Doe	06/03/2014	Phone number of taxpayer on line 1a or 2a
Signature (see instructions)	Date	
Title (if line 1a above is a corporation, partnership, estate, or trust)		
Spouse's signature	Date	

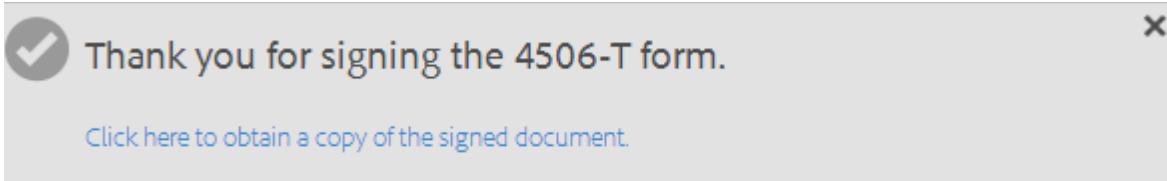
For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. 37867 Form 4506-T (Rev. 9-2013)

Please agree to the terms of use below.

I agree to the terms of use. I have reviewed the consumer disclosure related to electronic signatures and agree to do business electronically with Veri-Tax LLC. [Learn more.](#)

Click to e-sign

9. The debtor must accept the terms of use and click the blue "Click to eSign" button to complete the e-signing.



10. The debtor may save or print a copy of the form for their records.

Order Details(2977319)	
Description	Value
User:	New UI Option 1
Status:	Received
Reference Number:	Doe003
Order Creation Date:	5/10/2013 2:22:07 PM
Completed:	
Name:	Doe, John
SSN:	***-**-6789
Address	
Period	2012,2011
Type:	1040-A Transcript
E-sign Order:	Yes
Notes	

Archive

History

Date	Type	Action
5/10/2013 2:21:11 PM	System	Order created
5/10/2013 2:21:49 PM	System	E-sign email sent to taxpayer
5/11/2013 10:43:37 AM	System	Form Approved

11. The Order Details in the Veri-tax ordering portal will timestamp when the form was e-signed by the Applicant. The status will change to "Received"

Order Details

When you select an order number from Saved or Submitted Orders, you can see the status and history of the order. Order Details: Displays order number, details, status, and history of the order.

Statuses:

- **Not Received:** Order has been created and an email request has been sent to the debtor to e-sign the form, but they have not completed the e-sign yet.
- **Received:** Order has been e-signed by the debtor and a form was submitted to Veri-Tax for review.
- **In Progress:** Order has been sent to the IRS for processing.
- **Complete:** Order is complete and results are available to download.
- **Rejected:** Order has been rejected by Veri-Tax and needs attention. A rejection reason will appear. Because e-signed -signed orders cannot be edited, create a new order for the debtor.
- **Problem:** The IRS cannot process the order. A problem reason will appear. Create a new order.
- **Cancelled:** Order is no longer active.

Archiving the order moves the order out of 'Completed' status and archives the order for up to 100 days.

History

Timestamps all order activity from creation to completion.

Consolidations

Loan Consolidation (gathering your existing loans into a new loan) can be a means of getting out of default. There are instances when this will be the best solution for the debtor. That may occur when the debtor doesn't qualify for rehabilitation and cannot afford BIF or SIF; or if the debtor wants to get out of default faster than they would through rehabilitation.

The following material will give you everything you need to know when talking with a debtor about the possibility of loan consolidation. The procedures for processing a debtor's consolidation application will be contained in the appendix to this module.

Eligibility

The following debts are not eligible for consolidation:

- **Grant program overpayments (POVRs).**
- **Consolidation loans** (unless the debtor has taken out a new loan since the date of the consolidation).
- **Loans with judgments.** The Guarantor may provide a judgment indicator found in the Custom screen in ARTIVA.
- **'Stand alone' Perkins/NDSL loans.** These are Perkins loans that are in an account by themselves, i.e., the account does not contain at least one Direct and/or FFEL loan. Perkins loans in 'mixed' accounts can be consolidated.
- **Ineligible loans.** These are loans that the debtor never established eligibility for. They are rare.
- Loans for debtors for whom a **wage garnishment payment has been received within the preceding 90 days.**

The Attributes of a Consolidation Loan

Before deciding that consolidation is the way to go, the debtor should understand the unique aspects of the program. Some of these may appeal to the debtor as advantages; others may not.

- **The debtor gets a single servicer.** One of the reasons the debtor fell into default may have been that they had to deal with more than one servicer. With the Consolidation loan, they only have to stay in touch with one.
- **A collection fee of 2.78% is added to the loan.** In rehabilitation, collection costs are recalculated to match the current default rate. With a consolidation loan, the collection costs are not removed. A charge of 2.78% of the balance remains. When the consolidation loan is made, this charge is capitalized, along with all accrued interest and default fees.

- **The consolidation loan is a new loan.** When the debtor rehabilitates, they simply change the status of their existing loans. With consolidation, they start over with a brand-new loan. The new loan appears in credit bureau reporting as not delinquent.
- **Credit reporting shows the underlying loans as 'paid collection account.'** The line of credit on an underlying doesn't disappear completely. There is still an indication that the loan was in default. The underlying loan will usually be reported as a 'paid collection account.'
- **The interest rate usually goes up slightly.** The interest rate of a consolidation loan is the weighted average of the underlying loans (the loans that are consolidated). The rate is always rounded up to the nearest 1/8 percent, unless the calculation yielded an exact 1/8th multiple.

Examples:

- a) The borrower's underlying loans have a weighted average interest rate of 6.13%. This is rounded up to the nearest 1/8th, or 6.25%
- b) The borrower's underlying loans have a weighted average interest rate of 6.12%. This is rounded up to 6.125%, the nearest 1/8th.
- c) The borrower's loans have a weighted average interest rate of 6.25%. Because the .25 is a multiple of one-eighth (0.125), there is no rounding up; the rate stays at 6.25%.

If borrowers a) and b) are both paying off Consolidation loans of \$50,000 over a 20-year period, the 0.01% difference in their weighted averages will cause borrower a) to pay approximately \$1,250 more than borrower b) over the life of the loan.

- **The repayment period can go as long as 30 years.** The period depends on the consolidation loan balance.

Consolidation Loan Balance ⁸	Max Repayment
Less than \$7,500	10 years
\$7,500 or more, but less than \$10,000	12 years
\$10,000 or more, but less than \$20,000	15 years
\$20,000 or more, but less than \$40,000	20 years
\$40,000 or more, but less than \$60,000	25 years
\$60,000 or more	30 years

We also need to tell the debtor that we cannot help them consolidate if:

- **They have a dispute about any of the underlying loans.** If the debtor challenges the existence, amount, or enforceability of any of the loans to be consolidated, they should wait until the dispute is resolved before consolidating. The borrowing of a Consolidation loan can be construed as acknowledging the validity of all its underlying loans.

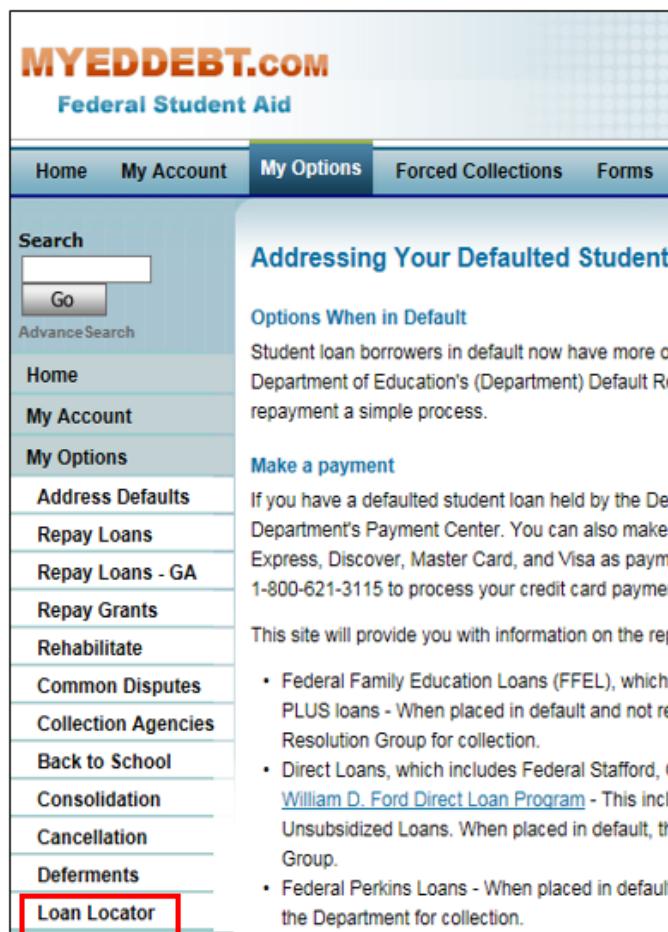
⁸ This balance can also include other education loans that the borrower cannot or does not wish to consolidate.

- **There is a condition that could lead to the discharge of any underlying loan.** If the debtor is seeking discharge of any of the loans based on disability, bankruptcy, or any other reason, they should not consolidate until all discharge issues have been resolved.

Taking the Application

An eligible debtor is free to consolidate their loans at any time, with or without our help. When we help a debtor to get out of default through consolidation we consolidate only the defaulted loans that have been assigned to us by the Guarantor. It is entirely possible that the debtor has other loans, defaulted or not, with other loan holders. We do not assist the debtor with getting such loans consolidated. Instead, we advise the debtor that, after the consolidation that we help with is completed, they have 180 days to add other loans to the consolidation. A debtor can initiate the 'add-on' process through the servicer that approves their Consolidation loan.

Even though we will not be consolidating them, we do need to know about the debtor's other loans when we prepare the debtor's application. The debtor can find out all the information we need from the Loan Locator on myeddebt.com.



The screenshot shows the MYEDDEBT.com website interface. The top navigation bar includes links for Home, My Account, My Options (which is highlighted in blue), Forced Collections, and Forms. The left sidebar contains a 'Search' section with a text input field and a 'Go' button, followed by links for Home, My Account, My Options, Address Defaults, Repay Loans, Repay Loans - GA, Repay Grants, Rehabilitate, Common Disputes, Collection Agencies, Back to School, Consolidation, Cancellation, Deferments, and Loan Locator. The 'Loan Locator' link is highlighted with a red box. The main content area is titled 'Addressing Your Defaulted Student' and contains sections for 'Options When in Default' and 'Make a payment', with detailed descriptions of the repayment process for various loan types.

Below is an example of an NSLDS summary.



Loans						
Please click on number in first column to see details						
Type of Loan	Loan Amount	Loan Date	Disbursed Amount	Canceled Amount	Outstanding Principal	Outstanding Interest
1 DIRECT PLUS	\$13,572	09/08/2014	\$13,572	\$0	\$13,572	\$386
2 DIRECT PLUS	\$14,534	09/09/2013	\$14,534	\$0	\$14,534	\$1,296
3 DIRECT PLUS	\$9,577	09/04/2012	\$9,577	\$0	\$9,577	\$1,892
4 DIRECT PLUS	\$5,000	09/18/2010	\$1,667	\$3,333	\$1,841	\$471
5 FFEL PLUS	\$10,000	08/20/2008	\$5,000	\$0	\$6,562	\$1,808
6 FFEL PLUS	\$10,000	08/14/2008	\$0	\$10,000	\$0	\$0
Total DIRECT PLUS					\$39,524	\$4,045
Total FFEL PLUS					\$6,562	\$1,808
Total All Loans					\$46,086	\$5,853

The debtor can click on any row to see details. The debtor can also print out all of their loan information from NSLDS. For the debtor's loan application which we are preparing with the debtor, we need to know the following for each of the debtor's loans:

- The loan type (sub Stafford, unsub Stafford, PLUS, or Consolidation)
- The outstanding principal
- The outstanding interest
- The name of the servicer currently handling the loan

Commonly Used Acronyms

<u>Acronym</u>	<u>Definition</u>
ACA	American Collectors Association
ACH	Auto pay - Automated Clearing House - used for check by phone
ASA	American Student Assistance
AWG	<u>Step 4 in Wage Garnishment Process:</u> Received notification from Debtor's employer that we will begin to receive \$ from Debtor's paycheck. Wage garnishment has been approved
BANKO or BK	Bankruptcy
BIF	Balance in full
BNANML	debtor, no answer, no message left
BR	Debtor
BSR	Balance Sensitive Rehabilitation (Rehabilitation Agreement). This is the voluntary repayment program
BWR	debtor
C/M	Co-maker (co-debtor)
CANCEL	Account closed
CBP	Check by Phone
CCPA	Consumer Credit Protection Act
CID	Caller ID
CMD	Call Monitoring Disclosure (also sometimes in notes as REC)
CNSF	Credit card- non sufficient funds
CPCR	Closed per Client request
CTO	Collector talk off or Called the Office
DAWG	<u>Step 2 in Wage Garnishment Process:</u> PAWG letter sent to Debtor. Can do VOE w/employer and get employers mailing address only. No disclosure on potential garnishment
DCI	Debtor called in
DID	Debtor identified (Debtor Identified)
DISCO	Disconnected phone #
DLS	Direct Loan Servicing
DNI	Debtor not in
DNLH	Does not live here
DOE	Department of Education
DTO	Debtor talk off
DTR	Debtor
DWYHTD	Do what you have to do
EAWG	<u>Step 3 in Wage Garnishment Process:</u> Notice sent to Debtor's employer to withhold wages
EOM	End of month
F&C	Full & Complete (the process of verifying we have correct contact info)
FCC	Federal Communications Commission
FCRA	Fair Credit Reporting Act

FDCPA	Fair Debt Collections Practices Act (1978)
FFELP	Federal Family Education Loan Program (a.k.a. Federal Guaranteed Student Loan Program)
FOIA	Freedom of Information Act
FOTI	Standard voicemail/answering machine message
FSA	Federal Student Aid
FTC	Federal Trade Commission
GA	Guarantee Agency (USA Funds, ASA, NAVIENT, Ascendium, GLHE, etc.)
GDADD	Account has either a good address or possibly a good address
GLBA	Gramm-Leach-Bliley Act. Law to protect consumer info
GSL	Guaranteed Student Loan
GVMM	gave Mini-Miranda
HELOC	Home Equity line of Credit
HIPAA	Health Insurance Portability & Accountability Act. Law to protect consumer info
HOLD	The Client has placed the account on hold and it is not to be worked until the client notifies us otherwise
ICR	Income Contingent Repayment
LCL	Lower Control Level (used in Results chart for roll up)
LMOM	Left message on machine
LMTCB	Left message to call back
MCH	machine
MM	Mini Miranda (i.e., FOTI)
NA	No answer
NEW	New account that needs to be activated and change to the appropriate status
NHOD	Never heard of Debtor
NIS	not in service
NLE	No Longer Employed
NML or NM	No message left. No message
NPD	Need more post-dates (post-dated checks or credit card payments)
NSF	Non-sufficient funds
OWW	Out of work
PAWG	<u>Step 1 in Wage Garnishment Process:</u> Request in system for AWG letter to be sent to Debtor to warn of our intent to garnish if they fail to make payment or payment arrangement
PCKNCLCK	pick and click (someone picked up the phone & hung up)
PDC	Post-dated check
PG	Personal Guarantor
PHONES	Account either has a good number or possibly a good number
PNOTE	Promissory Note (original contract signed by the Debtor)
POE	Place of Employment
PPA	Payment plan arrangement
PSL	Private Student Loan

R/R/R/R	Round and round and round...The conversation went around in circles
RAL	Rehabilitation Agreement Letter
REC	CMD (call monitoring disclosure)
REGBRK	Regular Broken Promise - ARTIVA code for an account after a Promise to Pay has not been met
REQ	requested
RET	returned
REV	Review. Collector will change to this status when requesting a manager to review acct for it to be removed from Collector's Queue
RFP	Request for proposal
RHB	Rehabilitation Agreement. This is the voluntary repayment program, also known as BSR (Balance Sensitive Repayment)
RNSF	Returned, non-sufficient funds
ROUT	Rehab Out. Account was previously set up on a voluntary repayment but the Debtor did not make the qualifying payments on time, therefore, falling "out" of their Rehab
RPC	Right party contact
RTP	Refusal to pay
RVW	Review
S	spoke
SIF	Settlement in Full
SPS	Spouse
TCPA	Telephone Collection Protection Act
TEL	telephoned
TILA	Truth in Lending Act
TR	Tried residence
TRNMM	tried residence no message machine
TT	talked to
TTD	Talked to Debtor
VOE	Verification of Employment
W/N	Wrong #
WDF	William D Ford Consolidation or Federal Direct Loan Program. Also referred to as 'WDF'

Review History

Review Date	Reviewed by	Description of Update
06/24/2022	Stephanie Parker; Mike Hobby; Mike Beatty	v6 - Reg F – Inconvenient Calling Time; Cease & Desist
10/06/2021	Stephanie Parker; Mike Beatty	v5 - Updated reference to credit reporting; ASA reference; grammar; call opening script - added consumer acknowledging RPC; clarified statements meant for all clients, not just ED/DoE Updated validation and dispute processes
03/29/2021	Stephanie Parker; Mike Beatty	v4 - Removed Forced Collections (due to CARES Act)
8/31/2020	Stephanie Parker	v3 - FHC Logo Updated
08/31/2018	Stephanie Parker	v2 - Review no changes
8/31/2016	Stephanie Parker; Mike Beatty	v1 - Created

ATTACHMENT F

FHC's Sample Letters and Communication Methods

Email Template

F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 Exeter, NH 03833
Telephone (877) 750-9804

Dear First Last,

Our records indicate you have not yet established a suitable repayment arrangement on your Client Name and account type account placed with our office.

Please visit our website at <http://portal.fhcann.com> where you can:

- **Review your account(s)**
- **Process your payments with the highest level of security**
- **Access your receipt instantly**

You can also call us directly to discuss your account(s) at any time at (877) 750-9804.
Thank you and have a great day!

Customer Care at F.H. Cann & Associates, Inc.

If you would like to opt out of future email communications, please email : consentrevocation@fhcann.com

This communication is from a debt collector. This is an attempt to collect a debt, and any information obtained will be used for that purpose.

State Disclosures:

California Residents: The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov.

Colorado Residents: A consumer has the right to request in writing that a debt collector or collection agency cease further communication with the consumer. A written request to cease communication will not prohibit the debt collector or collection agency from taking any other action authorized by law to collect the debt. FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE WWW.COAG.GOV/CAR. F.H. Cann & Associates Inc.'s local office is located at 7200 S. Alton Way, Suite B180, Centennial, CO 80112; Telephone # 303-468-5793.

Massachusetts Residents: Notice of Important Rights: You have the right to make a written or oral request that telephone calls regarding your debt not be made to you at your place of employment. Any such oral request will be valid for only ten days unless you provide written confirmation of the request postmarked or delivered within seven days of such request. You may terminate this request by writing to the debt collector.

Minnesota Residents: This collection agency is licensed by the Minnesota Department of Commerce.

New York Residents: Debt collectors, in accordance with the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq., are prohibited from engaging in abusive, deceptive, and unfair debt collection efforts, including but not limited to: (i) the use or threat of violence; (ii) the use of obscene or profane language; and (iii) repeated phone calls made with the intent to annoy, abuse, or harass. If a creditor or debt collector receives a money judgment against you in court, state and federal laws may prevent the following types of income from being taken to pay the debt: (1) Supplemental Security Income (SSI); (2) Social Security; (3) public assistance (welfare); (4) spousal support, maintenance (alimony), or child support; (5) unemployment benefits; (6) disability benefits; (7) workers' compensation benefits; (8) public or private pensions; (9) veterans' benefits; (10) federal student loans, federal student grants, and federal work study funds; and (11) ninety percent of your wages or salary earned in the last sixty days.

This collection agency is licensed by the New York City Department of Consumer Affairs, License Number: 1415788.

North Carolina Residents: This collection agency is licensed by the North Carolina Department of Insurance, Permit Number: 109732.

Tennessee Residents: This collection agency is licensed by the Tennessee Collection Service Board of the Department of Commerce and Insurance.

The content of this email is confidential and is meant solely for use of the intended recipient. You may not share any part of this message with any third party without the written consent of the sender. If you received this message by mistake, please reply to (and then delete) this message. Please note that we have taken every precaution to ensure that this message is error and virus-free. However, we make no representation of the same and do not accept any liability for any damage caused by the content of this email or any attachments thereto. All recipients (intended or otherwise) should check this email and attachments for threats. Please do not print this email unless necessary; every unprinted email helps the environment.

F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 • Exeter, NH 03833
Telephone (877) 750-9804

NAME
ADDRESS
CITY STATE ZIP

Account Activity	
Letter Date:	CURRENT DATE
Creditor:	CLIENT NAME
Default Balance:	\$\$\$\$\$\$
FHC Reference #:	#####

Sample Letters

Dear NAME,

Office Hours:
Mon - Thurs 8 A.M. - 8 P.M.
Fri 8 A.M. - 5 P.M.

Our records indicate your above-referenced account qualifies for consideration by our client for an offer of settlement. F.H. Cann & Associates, Inc. would like to extend the following offer of settlement to you:

One lump sum payment in the amount of \$\$\$\$\$\$ must be received by this office no later than 35 days from the date of this letter to take advantage of this offer.

We are not obligated to renew this offer.

You may detach the stub included with this letter and mail your payment to us or visit our secure payment portal at <https://portal.fhcann.com>. You may also contact this office via telephone to discuss this matter further and to arrange for payment via telephone.

Yours truly,

David Krevitz
Director of Collections

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

Make your check or money order payable to F.H. Cann & Associates, Inc.
and send to the address below using the enclosed envelope.

* * * Please detach the lower portion and return with your payment * * *

100 Domain Drive
Suite 200
Exeter, NH 03833

June 15, 2022

NAME
ADDRESS
CITY STATE ZIP

IF YOU WISH TO PAY BY CREDIT CARD, CIRCLE ONE AND FILL IN THE INFORMATION BELOW.		
<input type="checkbox"/> MasterCard	<input type="checkbox"/> VISA	<input type="checkbox"/> AMERICAN EXPRESS
CARD NUMBER	EXP. DATE	
CARD HOLDER NAME	CVV	
SIGNATURE	AMOUNT PAID	
SETTLEMENT AMOUNT \$\$\$\$\$	FHC ACCOUNT # #####	
CREDITOR	CLIENT NAME	

* Make checks payable to:

F.H. Cann & Associates, Inc.
100 Domain Drive Suite 200
Exeter, NH 03833

F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 • Exeter, NH 03833

Telephone (877) 750-9804

NAME
ADDRESS
CITY, STATE ZIP

Account Activity	
Letter Date:	CURRENT DATE
FHC Reference #:	#####
Creditor:	CLIENT NAME
Principal:	\$\$\$\$\$\$
Interest:	\$\$\$\$\$\$
Other Charges:	\$\$\$\$\$\$
Total Due:	\$\$\$\$\$\$

Office Hours:

Mon - Thurs 8 A.M. - 8 P.M.

Fri 8 A.M. - 5 P.M.

Dear NAME,

This letter serves as your copy of the payment arrangement you recently authorized with our office concerning your debt owed to our client, CLIENT NAME.

Please review the amounts and dates below and call our office with any questions or concerns.

Payment	Payment
Date	Amount
DD/MM/YYYY	\$\$\$\$\$

You have the right to cancel any payments listed above by contacting our office at the phone number or address above at least three (3) business days prior to the payment date listed.

Sincerely,

David Krevitz
Director of Collections

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

100 Domain Drive
Suite 200
Exeter, NH 03833

CURRENT DATE

NAME
ADDRESS
CITY STATE ZIP

F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 • Exeter, NH 03833
Telephone (877) 750-9804

Account	Activity
Letter Date:	CURRENT DATE
Creditor:	CLIENT NAME
FHC Account #:	#####

NAME
ADDRESS
CITY STATE ZIP

Office Hours:
Mon - Thurs 8 A.M. - 8 P.M.
Fri 8 A.M. - 5 P.M.

MONTHLY STATEMENT

Dear NAME,

Your monthly accounting is listed below.

Principal:	\$\$\$\$\$
Interest:	\$\$\$\$\$
Collection Costs:	\$\$\$\$\$
Total Balance:	\$\$\$\$\$
Last Payment Date:	DD/MM/YY
Last Payment Amount:	\$\$\$\$

This is a reminder that the payment you authorized for \$\$\$\$ will be deposited on DD/MM/YYYY.

Please ensure there are sufficient funds available to cover this transaction.

Thank you,

David Krevitz
Director of Collections

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

100 Domain Drive
Suite 200
Exeter, NH 03833

CURRENT DATE

NAME
ADDRESS
CITY ST ZIP

F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 • Exeter, NH 03833

Telephone (877) 750-9804

NAME

ADDRESS

CITY STATE ZIP

Account Activity	
Letter Date:	CURRENT DATE
Creditor:	CLIENT NAME
Total Balance:	\$\$\$\$\$\$
FHC Reference #:	#####

Please see Page 2 for detailed account information.

Office Hours:

Mon - Thurs 8 A.M. - 8 P.M.

Fri 8 A.M. - 5 P.M.

*** ONLINE AND FLEXIBLE PAYMENT PLAN OPTIONS AVAILABLE***

Dear NAME,

The above referenced account remains open with our office for active collections. Our records indicate you have not yet established a suitable arrangement to resolve this matter.

For your convenience, you may detach the stub below to mail your payment to us, or you may also visit our secure web portal at <http://portal.fhcanc.com> to make this payment using your FHC Reference # as your Account number. You may also call our office at the number above to make payment by telephone.

We understand you may not have the funds to pay off the full balance due immediately, or you may have questions regarding your account. Our dedicated representatives are standing by to assist you with any questions, and with creating a payment arrangement tailored to your needs, and we urge you to contact them today at (877) 750-9804.

Communication is critical, and we remain committed to working with you in a reasonable way to resolve this matter.

Thank you.

Sincerely,

David Krevitz
Director of Collections

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

See Reverse Side for Important Information

Make your check or money order payable to F.H. Cann & Associates, Inc.
and send to the address below using the enclosed envelope.

* * * Please detach the lower portion and return with your payment * * *

100 Domain Drive
Suite 200
Exeter, NH 03833

CURRENT DATE

IF YOU WISH TO PAY BY CREDIT CARD, CIRCLE ONE AND FILL IN THE INFORMATION BELOW.	
<input type="checkbox"/> MasterCard	<input type="checkbox"/> VISA
CARD NUMBER	
CARD HOLDER NAME	
SIGNATURE	AMOUNT PAID
TOTAL BALANCE \$\$\$\$\$	FHC REFERENCE # #####
CREDITOR CLIENT NAME	

* Make checks payable to:

NAME
ADDRESS
CITY STATE ZIP

F.H. Cann & Associates, Inc.
100 Domain Drive Suite 200
Exeter, NH 03833

Account Detail

FHC# ####	Client Ref # #####	Principal \$\$\$\$\$\$	Interest \$\$\$\$\$\$	Cost \$\$\$\$	Total Balance \$\$\$\$\$
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F.H. Cann & Associates, Inc.

100 Domain Drive Suite 200 • Exeter, NH 03833
Telephone (877) 750-9804

NAME
ADDRESS
CITY, STATE ZIP

Account Activity	
Letter Date:	CURRENT DATE
Creditor:	CLIENT NAME
Total Balance:	\$\$\$\$\$\$*
FHC Reference #:	#####

Please see Page 2 for detailed account information.

Dear NAME,

Office Hours:
Mon - Thurs 8 A.M. - 8 P.M.
Fri 8 A.M. - 5 P.M.

We have been asked to contact you to discuss resolution of your overdue account with CLIENT NAME.

According to our client's records, full payment of your account is long overdue. Please take care of this obligation by remitting the balance in full to this office.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt, or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt, or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request of this office in writing within 30 days after receiving this notice this office will provide you with the name and address of the original creditor, if different from the current creditor.

Please contact our office at the address or telephone number above to resolve this matter. You may also visit our secure web portal at <http://portal.fhcann.com> to make a payment towards this account, using your FHC Reference # as your Account number.

Sincerely,

David Krevitz
Director of Collections

*Balance as of letter date, may increase due to interest accrual and other costs.

This communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

Make your check or money order payable to F.H. Cann & Associates, Inc.
and send to the address below using the enclosed envelope.

* * * Please detach the lower portion and return with your payment * * *

100 Domain Drive
Suite 200
Exeter, NH 03833

CURRENT DATE

IF YOU WISH TO PAY BY CREDIT CARD, CIRCLE ONE AND FILL IN THE INFORMATION BELOW.		
<input type="checkbox"/> MasterCard		<input type="checkbox"/> VISA
CARD NUMBER		EXP. DATE
CARD HOLDER NAME		CVV
SIGNATURE		AMOUNT PAID
TOTAL BALANCE \$\$\$\$\$		FHC REFERENCE # #####
CREDITOR CLIENT NAME		

* Make checks payable

NAME
ADDRESS
CITY, STATE ZIP

F.H. Cann & Associates, Inc.
100 Domain Drive Suite 200
Exeter, NH 03833

Account Detail

FHC# #####	Client Ref # #####	Principal \$\$\$\$\$	Interest \$\$\$\$\$	Cost \$\$\$	Total Balance \$\$\$\$\$
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ATTACHMENT G

Implementation Schedule for the City of Terrell

ID	Task Mode	Task Name	Duration	Start	Finish	Pred	Resource Names
1		The City of Terrell Draft Implementation Project Schedule	36 days	Thu 4/17/25	Thu 6/5/25		
2		Executive/Sales	15 days	Thu 4/17/25	Wed 5/7/25		
3		Proposal Submitted to The City of Terrell	1 day	Thu 4/17/25	Thu 4/17/25		FHC Sales
4		Proposal Evaluation	9 days	Fri 4/18/25	Wed 4/30/25	3	The City of Terrell
5		Contract Awarded	1 day	Thu 5/1/25	Thu 5/1/25	4	The City of Terrell
6		Confirmed Agreement	1 day	Fri 5/2/25	Fri 5/2/25	5	The City of Terrell
7		Complete Client Information Form	3 days	Mon 5/5/25	Wed 5/7/25	6	The City of Terrell
8		Send/Receive Contract	1 day	Mon 5/5/25	Mon 5/5/25	6	The City of Terrell
9		Contract Fully Executed	1 day	Tue 5/6/25	Tue 5/6/25	8	FHC Project Management, The City of Terrell
10		Project Management	3 days	Fri 5/2/25	Tue 5/6/25		
11		Schedule Client Kick-Off Meeting	1 day	Fri 5/2/25	Fri 5/2/25	5	FHC Project Management
12		Schedule Internal Kick-off Meeting	1 day	Tue 5/6/25	Tue 5/6/25	8	FHC Project Management
13		Receive Client Requirements Documentation	2 days	Mon 5/5/25	Tue 5/6/25	11	FHC Project Management
14		Receive Technical Questions Answered/File Layouts/Specs	2 days	Mon 5/5/25	Tue 5/6/25	11	FHC Project Management
15		Telephony	7 days	Fri 5/2/25	Mon 5/12/25		
16		Complete Telephony Form	1 day	Fri 5/2/25	Fri 5/2/25	5	FHC Development Team
17		Agent Setup	2 days	Mon 5/5/25	Tue 5/6/25	16	FHC Development Team
18		Inbound # Setup / Call Routing	2 days	Mon 5/5/25	Tue 5/6/25	16	FHC Development Team
19		Call Processing Exercise	2 days	Wed 5/7/25	Thu 5/8/25	18	FHC Development Team
20		QA Signoff	2 days	Fri 5/9/25	Mon 5/12/25	19	FHC Development Team
21		Create Required Reports	6 days	Wed 5/7/25	Wed 5/14/25		
22		Determine and Develop Reporting Requirements	3 days	Wed 5/7/25	Fri 5/9/25	13	FHC Development Team
23		QA Signoff	3 days	Mon 5/12/25	Wed 5/14/25	22	FHC Development Team
24		Finance	20 days	Fri 5/2/25	Thu 5/29/25		
25		Client Call to set Invoice/Billing expectations	2 days	Fri 5/2/25	Mon 5/5/25	5	FHC Finance Team
26		ACH Setup	10 days	Tue 5/6/25	Mon 5/19/25	25	FHC Finance Team

ID	Task Mode	Task Name	Duration	Start	Finish	Prede	Resource Names
27	█	Invoice/Billing Requirements	5 days	Tue 5/6/25	Mon 5/12/25	25	FHC Finance Team
28	█	Payment Application Testing	3 days	Tue 5/20/25	Thu 5/22/25	26	FHC Finance Team
29	█	Test Invoice	3 days	Tue 5/20/25	Thu 5/22/25	26	FHC Finance Team
30	█	Month-End Cutoff Procedures	3 days	Tue 5/20/25	Thu 5/22/25	26	FHC Finance Team
31	█	QA Signoff	5 days	Fri 5/23/25	Thu 5/29/25	30,28	FHC Finance Team
32	█	Staffing	13 days	Thu 4/17/25	Mon 5/5/25		
33	█	Validate Staffing Requirements	1 day	Fri 5/2/25	Fri 5/2/25	5	FHC Operations,FHC People Management Team
34	█	Assign Collection Staff	1 day	Mon 5/5/25	Mon 5/5/25	33	FHC Operations,FHC People M
35	█	Workstations/Phone Setup	2 days	Thu 4/17/25	Fri 4/18/25		FHC Operations,FHC People Management Team,FHC End
36	█	Training	10 days	Fri 5/2/25	Thu 5/15/25		
37	█	Obtain Client-Specific Training Materials	3 days	Fri 5/2/25	Tue 5/6/25	5	The City of Terrell
38	█	Create Internal Terrell Training Documentation: Client Requirements, etc.	4 days	Wed 5/7/25	Mon 5/12/25	37	FHC Training
39	█	Client specific training	3 days	Tue 5/13/25	Thu 5/15/25	38	FHC Training
40	█	Quality Assurance	5 days	Wed 5/7/25	Tue 5/13/25		
41	█	Client Scorecard implementation	2 days	Wed 5/7/25	Thu 5/8/25	37	FHC Development Team
42	█	Speech IQ Client Specifics Implementation	3 days	Wed 5/7/25	Fri 5/9/25	37	FHC Development Team
43	█	Client Requirements (Files/Reports)	4 days	Wed 5/7/25	Mon 5/12/25	37	FHC Development Team
44	█	Call/Operational Requirements	4 days	Wed 5/7/25	Mon 5/12/25	37	FHC Development Team
45	█	Contact Requirements	5 days	Wed 5/7/25	Tue 5/13/25	37	FHC Development Team
46	█	Testing	9 days	Wed 5/7/25	Mon 5/19/25		
47	█	Conduct Integration Testing	3 days	Wed 5/7/25	Fri 5/9/25	9	FHC Development Team,FHC End User Support Team,FHC
48	█	Conduct User Acceptance Testing	3 days	Mon 5/12/25	Wed 5/14/25	47	FHC Development Team,FHC End User Support Team,FHC
49	█	Perform Production Tests	3 days	Thu 5/15/25	Mon 5/19/25	48	FHC Development Team,FHC End User Support Team,FHC
50	█	Go-Live Event/Solution Deployment	3 days	Tue 5/20/25	Thu 5/22/25		
51	█	Initial Process Audit	1 day	Tue 5/20/25	Tue 5/20/25	47,48	FHC Operations,FHC Project M
52	█	Cutover to Production	1 day	Wed 5/21/25	Wed 5/21/25	51	FHC Operations,FHC Project M
53	█	Go-Live	1 day	Thu 5/22/25	Thu 5/22/25	52	FHC Development Team,FHC
54	★	Post Implementation	10 days	Fri 5/23/25	Thu 6/5/25		

ID	Task Mode	Task Name	Duration	Start	Finish	Prede	Resource Names
55	█	Performance Tracking	10 days	Fri 5/23/25	Thu 6/5/25	53	FHC Operations
56	█	Review of Initial Import Audit Logs	10 days	Fri 5/23/25	Thu 6/5/25	53	FHC Development Team,FHC Operations
57	█	Operational Compliance	10 days	Fri 5/23/25	Thu 6/5/25	53	FHC Operations
58	█	Procedures Documents Created	10 days	Fri 5/23/25	Thu 6/5/25	37,38	FHC Operations,FHC Project Management
59	█	QA Signoff	1 day	Fri 5/23/25	Fri 5/23/25	53	FHC Operations
60	█	Confirm and review first invoice v. PO	1 day	Fri 5/23/25	Fri 5/23/25	53	FHC Finance Team

ATTACHMENT H

FHC W-9

**Request for Taxpayer
Identification Number and Certification**
Go to www.irs.gov/FormW9 for instructions and the latest information.

Give form to the
requester. Do not
send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type.
See Specific Instructions on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.) F.H. Cann & Associates, Inc.	2 Business name/disregarded entity name, if different from above.	
3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C corporation <input checked="" type="checkbox"/> S corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions)		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) <i>(Applies to accounts maintained outside the United States.)</i>
5 Address (number, street, and apt. or suite no.). See instructions. 100 Domain Dr.	Requester's name and address (optional)	
6 City, state, and ZIP code Exeter, NH 03833		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
<input type="text"/>	<input type="text"/>	-	<input type="text"/>	-	<input type="text"/>	<input type="text"/>	<input type="text"/>		
OR									
Employer identification number									
0	4	-	3	4	8	3	5	1	2

Part II Certification

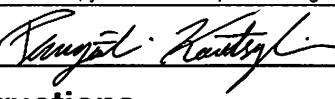
Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

**Sign
Here**

Signature of
U.S. person



Date

01/16/2025

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they