

Cosmopolitan Service Corporation

Receivable Recoveries Since 1967

TERMS AND CONDITIONS

All rates are contingent and apply to commercial accounts only (debtors in business). Because accounts are accepted on a contingent fee basis, an interest is created by **COSMOPOLITAN SERVICE CORPORATION** in each account to the extent of the potential fee. **COSMOPOLITAN SERVICE CORPORATION** shall have the right to deposit all collection checks and to deduct authorized charges. Special fees will apply when debtors are out of business, or when collection is only possible through small installments. **COSMOPOLITAN SERVICE CORPORATION** may retain as compensation for its costs and expense all lawful sums collected in excess of the principal amount of each claim.

- **BASIC RATE:** 25% of all recoveries on claims of more than \$600.00
- **MINIMUM RATE:** Flat fee of \$150.00 on recoveries ranging in amounts from \$300.00 to \$600.00
- **SMALL CLAIMS RATE:** 50% of all recoveries on claims of less than \$300.00

If claims qualifying for the **BASIC RATE** are collected in small increments, we deduct 50% of the first \$300.00 collected, adjust on the next \$300.00 collected by charging no fee, and apply the 25% rate to the excess of \$600.00 collected. If a claim is collected through a return of merchandise or equipment, we charge 1/2 fee on the value of the return as shown on the credit memo.

Unless otherwise provided, a rate of fifty percent will apply on collections where: 1) accounts are over one year old, 2) are non-commercial, 3) debtor is not in business, 4) the account has previously been handled by others. Commissions on foreign collections will vary according to location and amount.

IMMEDIATE COLLECTION: Our collection efforts are initiated immediately upon receipt of claim(s); thus, a completed and signed placement form serves as the statement of work. Therefore, in the event your firm is contacted by a debtor placed for collection, or their representative, please direct them to our office. Please advise us promptly of their communication. Execution of the placement form constitutes authority to forward (to an attorney) unless specifically directed otherwise by creditor. When deemed necessary accounts may be forwarded to attorneys for collection or suit. No legal action will be filed by the attorney without authorization. In such a case, the client accepts the terms and conditions of **FORWARDING SERVICE** (see below).

TEN DAY DEMAND: Ten Day Demand is applicable to accounts for which you are expecting (but have not received) payment. When Ten Day Demand is appropriately specified, **COSMOPOLITAN SERVICE CORPORATION** will activate your claims, and any money received within ten calendar days of the date of our demand incurs **NO COLLECTION FEE**. Any money received by the creditor within ten calendar days of the date of demand must be *immediately reported* to **COSMOPOLITAN SERVICE CORPORATION** in order to qualify.

FORWARDING SERVICE: Upon request, **COSMOPOLITAN SERVICE CORPORATION** will forward your delinquent accounts to highly qualified, bonded creditors' rights attorneys in the debtor firm's immediate area. If legal proceedings are instructed, there are additional charges by the attorney including advanced costs, suit fees and sometimes a retainer. The attorney's charges are entirely separate and distinct from the service charges of **COSMOPOLITAN SERVICE CORPORATION**. Claims forwarded to legal counsel will incur a fee of forty percent of all recoveries.

The creditor agrees that **COSMOPOLITAN SERVICE CORPORATION** shall be held harmless from any legal action, expenses, or consequences emanating from creditor's actions, prior, during and after placement of this claim.

When a claim is paid direct, it is the responsibility of the creditor to promptly notify **COSMOPOLITAN SERVICE CORPORATION** by providing us with a copy of said payment. When payment is made prior to the arrival of the claim in the offices of **COSMOPOLITAN SERVICE CORPORATION** and where such notice is immediately given to **COSMOPOLITAN SERVICE CORPORATION**, no fee shall be charged. Otherwise, the withdrawal of any claim or any portion thereof for any reason by creditor or duly authorized representative shall entitle **COSMOPOLITAN SERVICE CORPORATION** to our standard collection fees.

COSMOPOLITAN SERVICE CORPORATION reserves the right to request a non-refundable retainer, not to exceed twenty percent of the claim, to be paid in conjunction with the placement of the claim.

Celebrating over 55 years of Professional Service