

# CLIENT SERVICE AGREEMENT



This Agreement is made between Creditor Solutions NY LLC (hereafter, "Creditor Solutions" or the "Agency"), a New York Limited Liability Company with a principal place of business located at 1441 Broadway, 5th Floor, New York, NY 10018 and the undersigned (hereafter, the "Creditor" or "Client") (collectively, the "Parties").

In consideration of its acceptance, Creditor hereby assigns the right to enforce the outstanding judgment award to Creditor Solutions pursuant to the terms, rates, and conditions established in this Agreement.

**NOW, THEREFORE**, in consideration of the recitals, covenants, conditions and promises contained herein, Parties agree to as follows:

- 1. Services.** Creditor Solutions is engaged in the business of recovering outstanding judgment awards on behalf of creditors. Creditor is entitled to recover the outstanding judgment award (hereafter, the "Award"), identified as set forth in "Schedule A", annexed hereto, which is due and owing, and desires to have Agency use its best efforts to recover the Award.
- 2. Term.** This Agreement is executed on the date set forth below and shall take effect as of such date. Unless earlier terminated in accordance with the provisions of this Agreement, the term of this Agreement shall continue until the Award is recovered in full by Agency and payment is rendered to Client.
- 3. Fees for Services Rendered.**
  - a. Costs.** Client shall not be responsible for any out-of-pocket fees associated with Agency's recovery. Collections costs ("Collection Costs") include, but are not limited to, court costs, filing fees, third-party services and processing fees, garnishment fees, and costs payable by Agency with respect to or in connection with reasonably pursuing recovery of the Award and shall be borne by Agency. Client shall not be directly charged, billed or otherwise responsible for any Collection Costs.
  - b. Fees.** In no event shall Collection Costs exceed 9% of the Award as of the date of recovery. Collection Costs shall be reimbursed to Agency out of funds recovered from the judgment debtor (hereafter, "Debtor") (hereafter, the "Recovered Amount"). Collection Costs will be deducted from the Recovered Amount. The Recovered Amount less Collection Costs will determine the net recovered amount (hereafter, the Net Recovered Amount"). Client agrees that Agency will retain 39% of the Net Recovered Amount up to \$35,000 and 33% of any Net Recovered Amount above \$35,000 (hereafter, the "Agency Fee").
  - c. Payment.** Agency shall remit to Client the Net Recovered Amount less the Agency Fee (hereafter, "Client Payment") on the last day of each month for all collections received and cleared up to three (3) months prior. Agency shall send Client a written statement of account setting forth all credits and deductions advanced or incurred by Agency in recovering the Award. Agency shall remit all moneys on account due to Client with each statement. All sums which are due to Client shall be held in a separate trust account for a minimum of thirty (30) days.
  - d. Uncollectible Award.** If Agency determines that an Award is uncollectible, Agency will notify Client in writing that it is ceasing all collection efforts, at which point Client may seek alternative sources or methods of recovery, if applicable. Only Agency has the authority to make the determination that an Award is uncollectible.
  - e. Contest.** In the event the Award is discovered to have been previously satisfied by Debtor, is not owed by Debtor due to Client error, or is retained by a different judgment enforcement agency or law firm for enforcement, Agency will cease all collection efforts and notify Client in writing of same. In such event, Agency reserves the right to demand payment in accordance with this Agreement. If payment is made directly to Client, Client hereby agrees to remit to Agency the applicable Agency Fee within thirty (30) days of receipt.
- 4. Client Right to Withdraw.** If Agency's best efforts do not yield payment activity after 180 consecutive days from the date this Agreement is signed, Client may withdraw the Award and terminate Agency's services by providing thirty (30) days written notice to Agency (hereafter, "Termination"). If Client chooses Termination, Agency retains any and all related investigation files, including, but not limited to, account information, status reports, and/or source information.
- 5. Nature of Relationship/Power of Attorney.** At all times, Client is the owner of the Award. Client hereby provides Agency with an exclusive Power of Attorney over the Award throughout the duration of this Agreement. By virtue of this Power of Attorney, Client hereby designates Creditor Solutions as Client's exclusive agent for providing the Services defined by this Agreement. By virtue of this Power of Attorney, Agency is granted the right to a) directly negotiate settlement terms on behalf of Client; b) accept payment (or enter into a repayment plan) of the Award; c) calculate or determine the amount necessary to recover towards the Award; d) assign, transfer, convey, subcontract (in whole or in part) this Power of Attorney; and e) appoint agents, field representatives and other individuals or entities as Agency deems necessary to recover the Award on Agency's behalf. Agency will not enter into or negotiate any settlement amount under the Principal Judgment Award without Client's prior approval. Client agrees to cease any and all collection efforts and will not permit any other entity to attempt to collect the Award during the Term of this Agreement. Client further agrees to forward to Agency directly any offers made to Client to recover the Award. Agency is authorized to endorse for deposit and collection any commercial paper that it may receive made payable to Client as payment towards the Award.

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6. **No Guarantees.** Agency makes no representations or warranties for the likelihood of success in recovering the Award. In no event shall Agency be liable in any respect for the ability or inability to recover any Award assigned by Client for enforcement by Agency. The Parties agree that Agency does not guarantee any result whatsoever with respect to recovery of the Award.
7. **Client Warranties.** Client expressly represents and warrants: the validity, amount and authenticity of each Award submitted to Agency; that the Award is presently and validly owed by the Debtor to Client; and the amount stated in supporting documentation provided by Client to Agency is the current amount that is owed (inclusive of any interest) to Client.
8. **Indemnification.** Agency shall take all reasonable precautions in recovery of the Award to comply with the requirements of federal and state laws regulating the enforcement of Awards. Agency shall not engage in any practice or use any means prohibited by law in enforcement of the Judgment Award. Agency shall indemnify and hold Creditor harmless for any claims arising from its activities in connection with enforcement of the Judgment Award.
9. **Notice.** Agency shall be notified of all required writings under this Agreement via fax at 646-762-0222, email at support@creditorsolutions.com, or regular mail to 1441 Broadway, 5th Floor, New York, NY 10018.
10. **Execution of Instruments.** Parties agree that each will execute and deliver to the other, upon request, any document or legal instrument which may be necessary to carry out the provisions of this Agreement.
11. **Amendments/Modifications.** No amendment, modification, or waiver of any provision of this Agreement shall be of any effect unless in writing and signed by authorized representatives of both Client and Agency.
12. **Exclusivity of Agreement.** During the term of this Agreement, Client hereby appoints Agency, and Agency hereby accepts Client's appointment, as the exclusive (not including any third-party entity enlisted by Agency) judgment enforcement agency, pursuant and subject to the terms and conditions of this Agreement. The Parties agree that, during the term of this Agreement, Client shall not enlist or accept identical or tangentially similar services from other providers without prior written approval from Agency. Client warrants that no other judgment enforcement or similarly placed agency is enforcing this Award as of the effective date of this Agreement. This Agreement shall bind the parties, their personal representatives, successors and assigns.
13. **Entire Agreement.** Unless an addendum listing additional judgment awards is attached to this Agreement, this Agreement contains all agreements and understandings between Client and Agency and covers the entire relationship between the Parties in connection with the Award. All prior or contemporaneous promises, representations, agreements or understanding in connection with the Award are expressly merged herein.
14. **Assignment.** Neither this Agreement nor any duties, obligations, benefits or services under this Agreement may be assigned by Client without the prior written consent of Agency. Agency has the express right to assign rights and obligations under this Agreement as it deems necessary in the ordinary course of business.
15. **Severability.** If any provision of this Agreement is declared invalid, such decision shall not affect the validity of any remaining portion, which remaining portion shall remain in full force, valid, enforceable and in effect as if this Agreement had been executed with the invalid portion thereof eliminated.
16. **Electronic Signatures (when applicable).** The Parties agree that the electronic signature appearing on this agreement is equivalent to a handwritten signature in accordance with the Uniform Electronic Transactions Act (UETA) of 1999.
17. **Counterparts.** This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Delivery of a signed counterpart of this Agreement by facsimile or email/pdf transmission shall constitute valid and sufficient delivery thereof.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Association to Plaintiff: \_\_\_\_\_

(Ex.: self, executor, attorney, etc)