



## Frequently Asked Questions

1. Why use collection services?

Several factors play a role in why you should utilize a third party collection agency to help collect your delinquent receivables. The most important is the third party impact that only an agency can provide. Once you have turned your accounts over to an agency, the debtors/customers know that you are serious about collecting this debt and their decision not to pay may now have consequences such as negative listings on credit reports or legal action. Additionally, most good collection agencies can provide services, such as skip-tracing, that most companies do not have access or resources to pursue.

2. What do you charge for your services?

PRC charges a contingency fee in which we keep a percentage of whatever we are able to collect. Rates depend upon many factors including, balance, age of the account and type of debt. Contact us at 800-868-7724 for a quote based upon your accounts.

3. How do I make placements to your agency?

We accept emails, disc, tape, fax, internet or paper. Secure transmissions include via our secure Internet site, FTP sites, or encrypted emails.

4. When should I place my accounts for collection?

For an agency to be successful, accounts that are placed that are 120 days or less are recommended. Accounts quickly become less collectible as the accounts age. A good strategy must be in place internally to work the accounts but once they hit a certain age it is important to get them out consistently to an agency. This will help make the collection agency consistent in their recovery efforts.

5. Do you report accounts to the Credit Bureaus?

At your request, depending upon the type of debt, PRC can list your accounts with the 3 major credit bureaus, Equifax, Trans Union and Experian.

6. Is there a minimum balance to place for collection?

We like to have balances that are \$20 and greater.

7. What do you do with my accounts that don't have accurate demographic information?

We utilize our own database comprised of millions of accounts, national skip tracing services and general internet searches to find demographic information. Additionally, we can place collection triggers on accounts where we get notified if the debtor applies for new credit or if new contact information is available.



8. What percentage of my accounts can I expect to be collected?

Several things must be taken under consideration when predicting recovery. The main consideration is age of the account. The more that time elapses, the less likely the debt will be collected. Other factors include the type of debt, balance, how hard the account has been worked internally or by another agency, documentation available and the social demographics of your customer base. Call us today at 800-868-7724 to discuss the particulars of your accounts.

9. Do you take legal action against debtors who refuse to pay?

Yes, PRC can forward your account to an attorney and manage the legal process. However, a determination must be made as to whether the account is suit worthy. Generally the balances must be greater than \$2,500 and the debtor must have some assets of if a business, it must still be operation. Client is responsible for forwarding court costs, as agencies are prohibited from fronting these fees.

10. Can I see my accounts online?

Yes, we provide online access 24/7 to your accounts in our system. Our system will allow you to view notes, information, statistics and reports. You can also make notes on accounts and transfer data securely.

11. Do you add fees to accounts to cover the cost of collection?

The FDCPA, the federal law which governs our industry, prohibits the agency from adding fees to cover costs. If you have a provision in your contract that allows for adding fees, then the Client may add the fees prior to sending the account to the agency. You should make sure that your fees or interest added isn't considered usurious.