

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2018-0083)

THIS PROCUREMENT AGREEMENT (“AGREEMENT”) is by and between the City of Franklin, Tennessee (“CITY”), and Automated Collection Services, Inc. (ACSI) of Nashville, Tennessee (“VENDOR”), who mutually agree as follows:

1. CITY issued (a) on March 9, 2018 Purchasing Office Solicitation No. 2018-012, a procurement solicitation for proposals for bad debt collection services, (b) on March 30, 2018 Addendum No. 1 to Purchasing Office Solicitation No. 2018-012, and (c) on April 6, 2018 Addendum No. 2 to Purchasing Office Solicitation No. 2018-012 (collectively, “SOLICITATION”).
2. In response to CITY’s SOLICITATION, VENDOR submitted a proposal dated April 9, 2018 (“SUBMITTAL”), a copy of excerpts from which is attached hereto as Attachment No. 1 and hereby incorporated by reference as if fully set forth herein.
3. VENDOR included in SUBMITTAL CITY’s Standard Procurement Terms and Conditions with VENDOR’s contact information inserted (“CITY’S TERMS”), a copy of which is attached hereto as Attachment No. 2 and hereby incorporated by reference as if fully set forth herein.
4. VENDOR has now also submitted a Certificate of Insurance (“CERTIFICATE OF INSURANCE”), a copy of which is attached hereto as Attachment No. 3 and hereby incorporated by reference as if fully set forth herein, that meets or exceeds CITY’s Insurance Requirements as specified in SOLICITATION.
5. If and when insurance coverage documented by CERTIFICATE OF INSURANCE referenced above expires before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this AGREEMENT, then VENDOR shall immediately suspend work or supply and delivery unless and until it provides one or more unexpired replacement certificates of insurance that indicates the new date(s) of insurance coverage expiration and that meets or exceeds CITY’s Insurance Requirements as specified in SOLICITATION.
6. In the event that insurance coverage documented by CERTIFICATE OF INSURANCE referenced above is materially modified or canceled before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this AGREEMENT, then VENDOR shall, immediately upon learning of any such material modification or cancellation, suspend work or supply and delivery and shall, within three (3) calendar days of such learning, notify CITY of any such material modification or cancellation.
7. VENDOR agrees to impose CITY’s insurance requirements upon any subcontractors it utilizes for this procurement. Use of any particular subcontractor for this procurement shall have been approved by CITY in advance of that subcontractor commencing work for this procurement.
8. VENDOR included in SUBMITTAL CITY’s Indemnification Agreement, executed for VENDOR (“INDEMNIFICATION AGREEMENT”), a copy of which is attached hereto as Attachment No. 4 and hereby incorporated by reference as if fully set forth herein.

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

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9. VENDOR has now also submitted CITY's Notice of Confidentiality & Proprietary Rights, executed for VENDOR ("NOTICE OF CONFIDENTIALITY & PROPRIETARY RIGHTS"), a copy of which is attached hereto as Attachment No. 5 and hereby incorporated by reference as if fully set forth herein.
10. CITY awarded on May 22, 2018 to VENDOR the purchase of bad debt collection services pursuant to SOLICITATION and SUBMITTAL.
11. The term of award shall commence upon execution of this AGREEMENT and shall expire three (3) years from the execution date of this AGREEMENT. At any time after commencement but before or as soon as practicable after the expiration of this term of award, CITY and VENDOR may, by mutual consent, exercise not more than two (2) options to extend the term of award, each time for up to one (1) additional year, for a maximum possible term of award of five (5) years total, provided: (a) that both parties consent to such an extension at that time; (b) that the decision to exercise such an extension is memorialized in writing and is executed by authorized representatives of each party (in the case of CITY, either CITY's City Administrator or CITY's Purchasing Manager, after consultation with the CITY's City Recorder for Revenue Management, is so authorized); (c) that the same terms and conditions that apply to the original term of award shall also apply to such an extension, including pricing; and (d) that if VENDOR chooses not to consent to an extension to the term of award, then it shall notify CITY of that decision a minimum of six (6) months in advance of the scheduled expiration of the term of award. Note that CITY and VENDOR each specifically retain the non-exclusive right, with or without cause, not to extend the term of award.
12. In the event of a conflict between the following documents, the order of precedence shall be as follows: (a) this AGREEMENT; (b) CITY'S TERMS; (c) INDEMNIFICATION AGREEMENT; (d) NOTICE OF CONFIDENTIALITY & PROPRIETARY RIGHTS; (e) SOLICITATION; and (f) SUBMITTAL.

EXECUTED THIS 6TH DAY OF JUNE 2018.

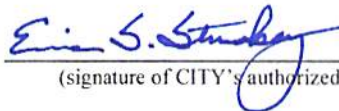
For VENDOR:



(signature of VENDOR's authorized representative)

TITLE: Executive Vice President


For CITY:



(signature of CITY's authorized representative)

TITLE: City Administrator

Approved as to Form:



Attorney for City of Franklin

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2018-0083)

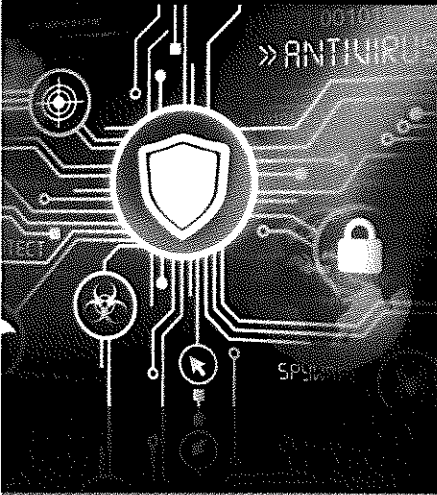
Attachment No. 1

Excerpts from SUBMITTAL



ACSI
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Collection Agency Services Proposal



COMPLIANCE



Request for Proposal

Submitted To:
City of Franklin, Tennessee

Submitted By:
Automated Collection Services, Inc.

ORIGINAL

April 2018



ACSI
Get The Edge

2802 Opryland Drive
Nashville, TN 37214
www.automatedcollections.com

April 10th, 2018

Purchasing Officer
City of Franklin Purchasing Office
Franklin City Hall, Suite 107
109 3rd Ave. South
Franklin, TN 37064

RE: Request for Proposal for City of Franklin, Debt Collection Services RFP #2018-012

Dear City of Franklin Purchasing Officer(s):

Automated Collection Services, Inc. (ACSI) is a Tennessee-based recovery agency with 29 years of experience collecting on delinquent debts. We service the government, healthcare, higher education, and financial/private sector services markets by providing full service collection services on a nationwide basis.

Following this letter is our proposal which documents ACSI's capabilities and commitment to provide the debt collection services requested by the City of Franklin and all of the collection work required to exceed your collection needs.

ACSI is experienced in collecting debts on behalf of the cities of Germantown, TN; Morristown, TN; Ashland City, TN; Columbia TN; Franklin, TN; and Nashville and Davidson County, TN.

As part of our value-added service offerings, your consumers will be able to access multiple communications options via our custom Consumer Website; they can also make payments, receive answers to common questions via our Virtual Agent, access free financial education courses, contact an ACSI ombudsman, and find links to helpful resources.

Please follow this link to view our Consumer Website: <https://consumerhelpacsi.com/>

We are confident we can provide the service and performance levels expected by the City of Franklin for this contract. ACSI has an A+ Better Business Rating, receives a very low number of consumer complaints compared to our peers, and has a superb Client Services Department known for going "above and beyond" what is asked of them by our clients.



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2802 Opryland Drive
Nashville, TN 37214
www.automatedcollections.com

The City of Franklin contract is also highly important to ACSI's ongoing success as a collector of delinquent government accounts receivables: our motivation is to serve the City of Franklin as your best collection agency business partner and, in return, aspire to receive your reference as a top-performing agency.

We agree to comply with all of the specifications and terms and conditions documented in the City of Franklin's RFP and subsequent addendas and to perform all work required by the City of Franklin's contract in an exemplary and timely manner.

Your day to day contact for all correspondence will be Jennifer Sutton, ACSI Client Services Director. Jennifer can be reached via jsutton@acsi.net or 615-690-1865.

We thank you for your time in considering ACSI as a potential continued supplier for the City of Franklin's debt collection needs. As the official authorized to make representations on behalf of ACSI, my signature below attests to ACSI's offer and commitment to the City of Franklin. Please contact me at 615-690-1625 (direct) or accisales@acsi.net (e-mail) should you have any questions concerning our proposal and offer.

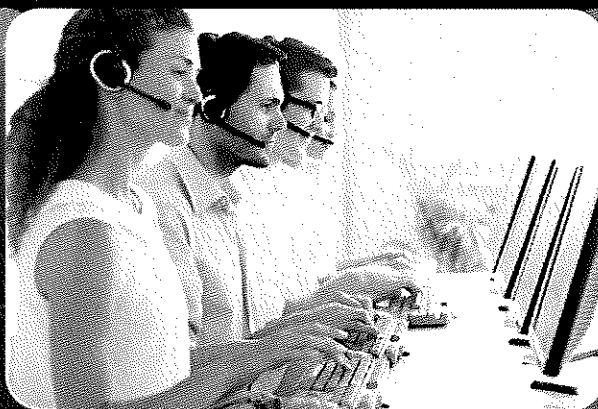
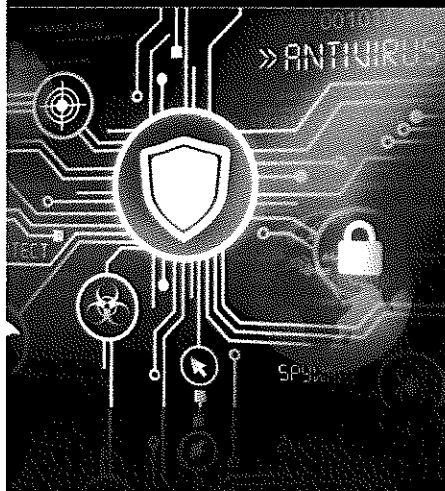
Sincerely,

Rick Blair
President and COO

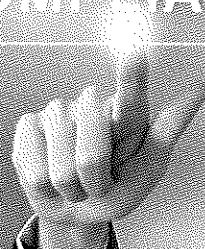


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Required Documents



COMPLIANCE



Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

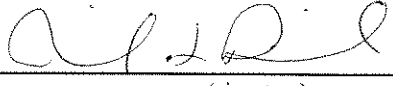

Purchasing Office Solicitation No.: 2018-012

Vendor's name, street address, and mailing address (if different):	Automated Collection Services Inc. (ACSI) 2802 Opryland Drive Nashville, TN 37214 <hr/>
Vendor's contact person's name (printed), title, telephone number and e-mail address:	Jennifer Sutton Director of Client Services 615-690-1865 jsutton@acsi.net <hr/>
Does the proposer take any exceptions to the City's procurement solicitation?	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
Are exceptions, if any, to the City's procurement solicitation listed separately, described, compared to the City's intention as expressed and implied by the City's solicitation documents, and submitted?	<input type="checkbox"/> Yes, see enclosed. <input checked="" type="checkbox"/> No, proposer takes no exceptions.
Are the City's preferred payment terms (net 30 days from date of delivery or date of invoice, whichever is later) acceptable to proposer?	<input checked="" type="checkbox"/> Yes. <input type="checkbox"/> No, proposer requests the following payment terms: _____
Last date (no sooner than June 30, 2018) that proposal and associated pricing is valid and may be accepted by the City:	December 31st 2018 <hr/>
Method of payment – The City's default method of payment is by electronic means, either by direct deposit (i.e., "ACH" or "Electronic Funds Transfer"), or by bank credit card, rather than by conventional check. Which electronic payment method would the proposer prefer?	<input checked="" type="checkbox"/> ACH or Electronic Funds Transfer. <input type="checkbox"/> Bank credit card.

Proposal Submittal Form

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the
City of Franklin, Tennessee

Purchasing Office Solicitation No.: 2018-012

Proposer's name:	Automated Collection Services Inc. (ACSI)
<p>Are the following components included with this Proposal Submittal Form in the submittal?</p> <ul style="list-style-type: none"> • Detailed vendor-supplied description of proposed product(s) and/or service(s); • Identification, listing and description of any exceptions to the procurement solicitation; • Contact information for required references (see Request for Proposals); • Standard Procurement Terms and Conditions of the City of Franklin, with the vendor's contact information inserted; • Vendor terms and conditions, if any, that are not inconsistent with the City's Standard Procurement Terms and Conditions; • Affidavit of Non-Collusion, executed in full; and • Affidavit of Title VI Compliance, executed in full. 	<p><input checked="" type="checkbox"/> Yes, see enclosed.</p> <p><input type="checkbox"/> No, proposer chooses <u>not</u> to include all of these components (WARNING: doing so may cause the City to deem the proposal non-responsive).</p>
<p>Acknowledge any and all issued addenda to this solicitation: (Prior to submitting its proposal, it is the responsibility of each potential proposer to determine whether any addenda to this procurement solicitation have in fact been issued by the City.)</p>	<p><input checked="" type="checkbox"/> Addendum No. <u>1</u></p> <p><input checked="" type="checkbox"/> Addenda Nos. <u>2</u></p> <p><input type="checkbox"/> No addenda.</p>
<p>Subscription and affirmation of proposer's authorized representative: By submission of this proposal, each proposer and each person signing on behalf of any proposer certifies, and in the case of a joint proposal each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each proposer is not on the list created pursuant to Tennessee Code Annotated § 12-12-106.</p>	 _____ (signature)
<p>Signature of proposer's authorized representative: I affirm that I am authorized by the proposer to sign this Proposal Submittal Form as well as any and all companion forms and documents included herewith. I have obtained and read, and do understand and consent, to all instructions, terms and conditions, including those imposed by reference, which apply to this procurement solicitation and compliance with which is required as a condition precedent to consideration of the proposal submitted herewith.</p>	 _____ (signature)
Title of proposer's authorized representative:	President and COO
Date of signatures:	<u>04-09-18</u>

Affidavit of Non-Collusion

a form required of Bidders and Proposers on purchases of supplies, materials, equipment and services for the City of Franklin, Tennessee

State of Tennessee)

County of Davidson) SS

Affiant, Richard Blair , deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Automated Collection Services, Inc. (ACSI)
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

- 2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
- 3. Such bid or proposal is genuine and is not a collusive or sham bid or proposal;
- 4. Neither the said Bidder or Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this Affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any official or agent of the City of Franklin or with any other firm, person, or potential or actual bidder or proposer to submit a collusive or sham bid or proposal in connection with the contract for which the attached bid or proposal has been submitted, or to refrain from bidding or proposing indirectly, or sought by agreement, or collusion, or communication, or conference with any other firm, person, or potential or actual bidder or proposer to fix the price or prices or cost element of the bid, quoted or proposed price or the bid, quoted or proposed price of any other potential or actual bidder or proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Franklin or any person interested in the proposed contract;
- 5. The price or prices quoted in the attached bid or proposal are fair and proper and are not tainted by a collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or Proposer or any of its agents, representatives, owners, employees, or parties in interest, including this Affiant; and
- 6. He or she understands that Article VIII, Section 16, of the City Charter of Franklin, and T.C.A. §6-54-107, prohibit any member of the Board of Mayor and Aldermen, or officer elected by said Board, from being interested in any contract, or work of any kind whatever, under its control and direction, and any contract in which any such person shall have an interest shall be void and unenforceable, subjecting any funds received by contractor to be returned in full to the City, in addition to any other penalties provided by law.

[Signature]
(signature of Affiant)

President and COO
(title of Affiant)

Sworn and subscribed to before me this 4th day of April, 2018

[Signature]
(Notary Public)



My Commission Expires: Jan 6, 2020

(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2018_012)

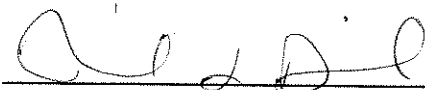
Affidavit of Title VI Compliance
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Davidson) SS
Affiant, Richard Blair , deposes and makes oath that:
(printed name of person signing Affidavit)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Automated Collection Services, Inc. (ACSI)
(legal name of entity submitting bid or proposal)

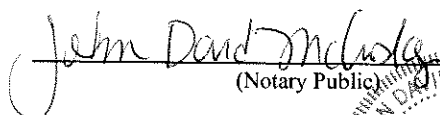
the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin or any other class protected by federal and/or Tennessee constitutional, statutory and/or case law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in, the performance of the contract that results from the procurement solicitation to which this affidavit is a component, or in the employment practices of the successful Bidder or Proposer during the performance of the contract that results from said procurement solicitation;
4. The successful Bidder or Proposer shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and job applicants, notices of such non-discrimination;
5. If, with the prior consent of the City, the successful Bidder or Proposer subcontracts any portion of the contract that results from the procurement solicitation to which this affidavit is a component, then the successful Bidder or Proposer shall contractually obligate all of its subcontractors for said contract to comply with the same non-discrimination provisions as those required of the successful Bidder or Proposer; and
6. This Affidavit is made on personal knowledge.


(signature of Affiant)

President and COO
(title of Affiant)

Sworn and subscribed to before me this 4th day of April, 2018


(Notary Public)

My Commission Expires: Jan 6, 2020

CROSS-REFERENCE TO RFP REQUIREMENTS

The following table cross references from the City of Franklin's RFP Section 11.3 requirements and the specific location in ACSI's proposal where we have responded to them.

SECTION	REQUIREMENT	ACSI PROPOSAL LOCATION
11.3.1 (1.1,1.2,1.3)	Cost of Collection and Pricing	Section 11
11.3.2	Data Security, Communications, Hardware and Software	Section 6
11.3.2.1	Data Security Protocols	Section 6
11.3.2.2	Computing Requirements necessary for City of Franklin to deply or run ACSI hardware, software, server, data lines, etc.	Section 9
11.3.3.2 & .3	Client References and TN Municipal Client listing	Section 4
11.3.3.4	Collection Procedures, practices, forms, templates, scripts, letters and communication procedures	Section 5
11.3.3.5	Standard Report Samples	Section 9
11.3.3.6	City of Franklin Traning Plan	Section 9
11.3.3.7	Primary Contact and Staff detail	Section 5
11.3.3.7 cont.	Company Organization and ownership information	Section 4
11.3.3.7 cont.	Audited Financial Statement and Credit References	Section 10
11.3.3.8 & .9	Cost to city or obligors	Section 11



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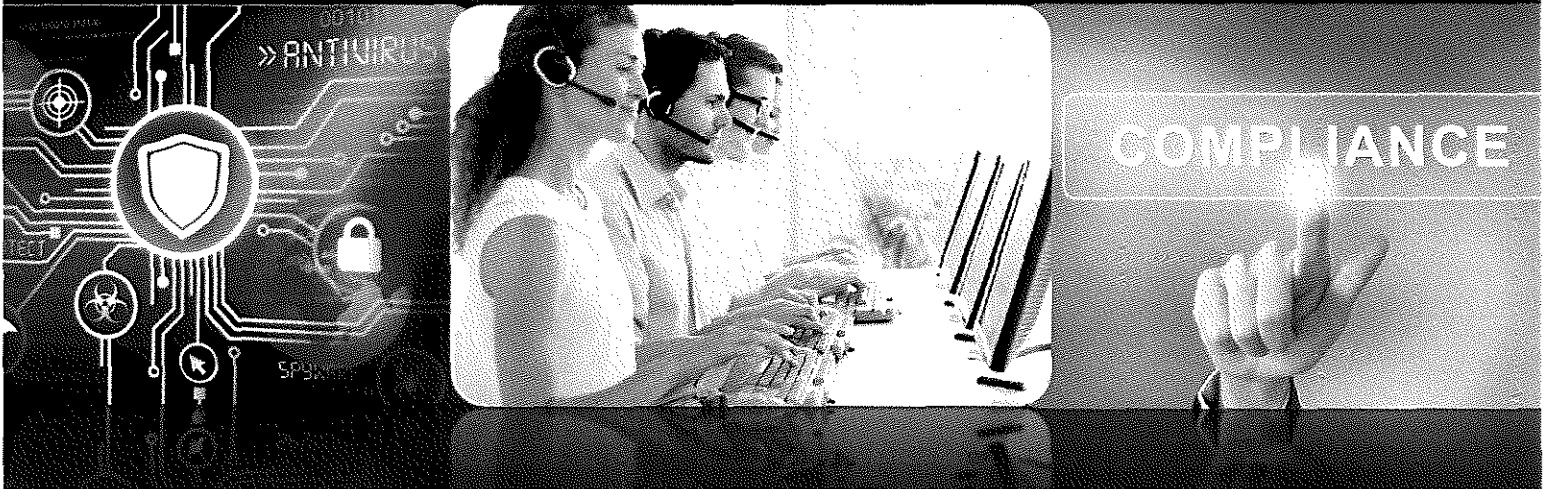


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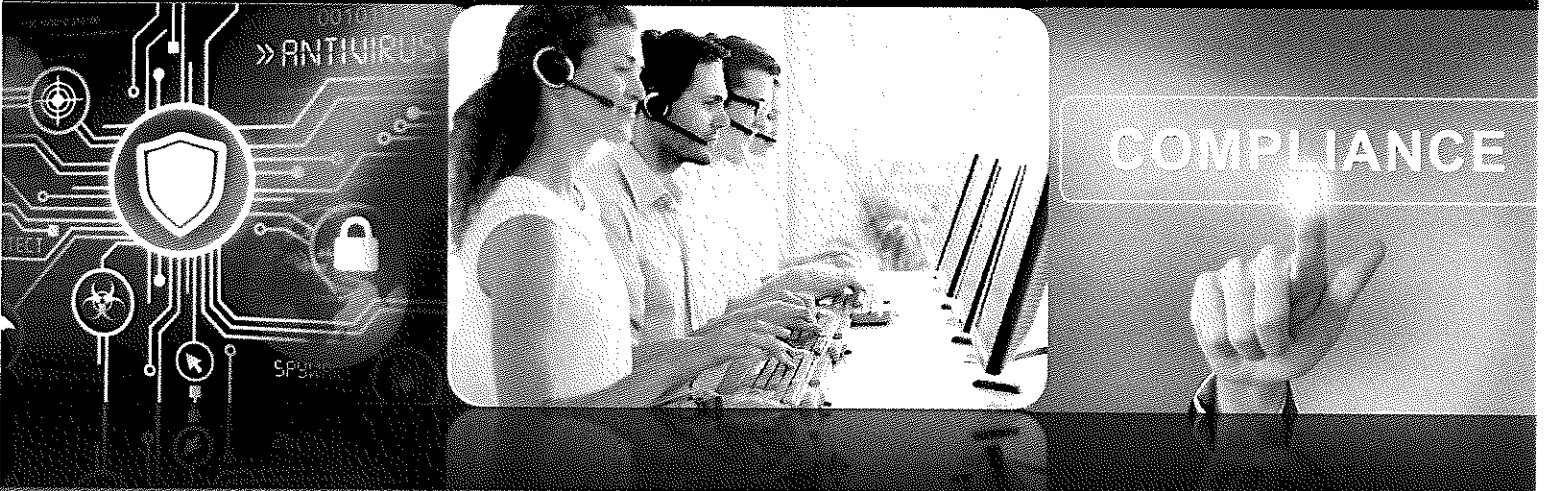
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ACSI
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Qualifications & Experience



About ACSI

Automated Collection Services, Inc. (ACSI) is a privately owned, Tennessee-based recovery agency established in 1988. ACSI is privately owned by the Duffy family. Vince Duffy, Jr. is our majority owner with both Robert and Vince Duffy, III owning equal minority shares. ACSI is governed by a Board of Directors that includes all three Duffy family members and an additional outside member. We provide nationwide debt collection services to the government, healthcare, higher education, and financial-retail creditor markets.

ACSI has an "A+" Better Business Bureau rating. In Tennessee, we were named to the Tennessean's Top Workplace List as voted for by our employees for 2014, 2015, 2016 (1st Place), and 2017, the only collection agency to make this list four years in a row. We are also active members and participants in local and nationwide professional affiliations, including the **American Collectors Association (ACA) International**.

Headquartered in Nashville, Tennessee, ACSI's 25,500-square-foot, custom build-out call center and collections facility has enabled ACSI to continually deploy new, advanced technologies that keep us at the forefront of our industry and the capacity to accommodate fluctuations and increases in account placements and new hires as well.

ACSI has an exceptional company culture for clients who wish to team with a recovery agency that values its own and its clients' reputations. Our unparalleled commitment to persistent customer service, combined with a deep, far-reaching integration of our clients' needs into our collection operations, allows us to consistently exceed our clients' expectations.

ACSI SUMMARY HIGHLIGHTS

- ◆ *Have 29 years of experience providing successful, end-to-end debt collection services on a nationwide basis*
- ◆ *Provide full-service collections via a persistent customer service model to the financial-retail creditors, healthcare, higher education, and government markets*
- ◆ *Are in the top tier of collection agencies to conduct formal risk assessments and test and validate all security and regulatory compliance requirements via internal and external audits and certifications*
- ◆ *Emphasize regulatory compliance via compliance and quality personnel, a toll-free Consumer Helpline separate from collection operations, training and testing, total call recording, and auditing*
- ◆ *Focus is on "diligent excellence" as we seek to achieve the highest recovery results possible while maintaining strict regulatory compliance*
- ◆ *Approach to debt collections is based on a non-confrontational and helpful posture to assist consumers and preserve our clients' reputations*
- ◆ *Have a very low number of consumer complaints and lawsuits brought against us compared to our peers due to our strong commitment to regulatory compliance*

ACSI is reinventing the industry standard for collection agency communications, culture, conduct, compliance, transparency, security, and performance.

Following Figure summarizes the collection services we offer and will perform for the City of Franklin.

ACSI's Services Offered

Service Title	Service Description	
SERVICE PHILOSOPHY		
<p><i>The service philosophy that defines ACSI and our relationships with our clients is ensconced in the principles, attitude, approach, performance, cul-ture, and commitment that permeate our entire organization.</i></p>	<p><i>Consumer-centric, persistent customer service model including our dedicated Consumer Website includes:</i></p> <ul style="list-style-type: none"> • <i>Get Informed</i> - via Virtual Agent questions & answers sessions • <i>Make Payments</i> - one time or recurring payments online • <i>View Resources</i> - links to relevant government & other valuable websites • <i>Free Financial Education</i> - online financial management modules • <i>Choose Preferred Method of Communications</i> – Internet, email, texting, calls to live Recovery Agents, or written correspondence • <i>Contact an Ombudsman</i> - through ACSI's Consumer Helpline which is separate from our Recovery Operations 	
COMPANY STRUCTURE AND SUPPORT SERVICES		
<p><i>The ACSI organization is structured to deliver total service support across all disciplines and encourage each department to empower our managers, subject matter experts, and front-line personnel.</i></p>	<p>Corporate organization support</p> <p>Professional membership participation</p> <p>Location and operational coverage on a nationwide basis</p>	<p>Financial stability</p> <p>Nationwide licensing compliance</p> <p>Insurance and bonding</p> <p>Information brokerage services</p>
STAFFING		
<p><i>Our flexible staffing plans are developed to meet each client's specific portfolio needs, including volumes, characteristics, and debt types. In addition, the personnel dedicated to each client contract have the requisite experience working the debt types that each client has placed with ACSI for collection.</i></p>	<p>Debt-specific dedicated Project Management Teams</p> <p>Administrative support</p> <p>Technical support</p> <p>Client and consumer services</p> <p>Debt-specific dedicated project Recovery Agents and Team Leaders</p>	<p>Recovery Agent management and oversight</p> <p>Recovery Agent performance reviews</p> <p>Compensation and incentives</p> <p>Recruiting and screening</p> <p>New hire and annual employee background checks</p>
TRAINING		
<p><i>ACSI's training program is delivered by qualified debt collection personnel who have a work history as Recovery Agents, Managers, and/or Compliance or Quality Assurance personnel. These individuals ensure ACSI's Recovery Agents receive the combined training that prepares them.</i></p>	<p>Classroom training</p> <p>Regulatory compliance training and testing</p> <p>On-the-job training and mentoring</p> <p>Recovery Agent financial awareness training</p>	<p>Security awareness training</p> <p>Confidentiality training</p> <p>Ongoing training and development</p> <p>Client contract-specific training</p> <p>Training for ACSI's clients</p>

Service Title	Service Description	
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COLLECTIONS METHODOLOGY

ACSI's approach to collecting debts is not a one-size-fits-all. We formulate a client-customized, comprehensive modeling process where our efforts are consistently focused on accounts where an ability to pay is probable. We also utilize various management tools and metrics.

- Client-specific collection strategies based on:
- Placement level and/or age
 - Debt type
 - Consumer demographics
 - Recovery targets and goals
 - Previous collection activities

- Client-custom onboarding process
- Results-driven recovery approach
- Free consumer financial literacy education
- Complete portfolio coverage

ACCOUNT ACCEPTANCE AND PROCESSING

Validating account contact information and identifying account status, e.g., deceased, bankruptcy, military service, litigious history, etc. are performed to ensure only accounts eligible for collection are contacted and worked.

- Account placement processing and acknowledgement
- File validation and exception processing
- Account information scrubs and verification

- Portfolio analysis and account scoring
- Account prioritization
- Automated distribution of new accounts to Recovery Agents

LOCATOR TOOLS AND TECHNIQUES

Our extensive suite of available tools and information sources, proven skiptracing techniques, continual monitoring of new information sources, and through training on the use of locator services and time-tested skiptracing practices ensure regulatory compliance and enable ACSI to provide a highly effective and successful skiptracing service.

- Automated and semi-automated
- Scout: ACSI's proprietary skiptracing tool and interface
- Highly skilled skiptracing personal
- Match consumer names, addresses, and telephone numbers
- Rule out deceased, bankruptcy, military service, and litigious consumers

- Internet Searches (social networks, e-mail addresses, resumes, classified ads, etc.)
- Utilize credit based data to seek updated information and/or to monitor consumers for positive credit activity
- Identify employment, ancillary income or stipends, and other asset information

LETTERS AND CALLS

ACSI's approach to contacting consumers through letters and telephone calls integrates regulatory compliance, compelling verbiage, convenient contact times and toll-free bilingual numbers.

- Sequential letter and call series
- Compliant with regulatory mandates and constraints
- Letter templates reviewed and approved by our ACA-certified MAP letter reviewer

- Situational call model templates
- Customized to meet client requirements and preferences
- Managed and recorded inbound and outbound calls in real-time

DEBT AND ADMINISTRATIVE RESOLUTION

Recovery Agents are trained to communicate based on the debt types to which they are assigned. All dialogue is conducted with a professional, helpful, and respectful posture and in a

- Obtaining payment:
- Full payment account resolution
 - Partial payment arrangements

- Bankruptcy, military service, litigious history, and/or deceased status
- Disputes

Service Title

manner that elicits cooperation and focuses on debt resolution options.

Service Description

- Identification of other payment sources
- Client-approved debt reduction agreements

Credit Bureau Reporting (if permitted)
Recovery Agent account reviews

PAYMENT ACCEPTANCE AND PROCESSING

ACSI offers numerous payment method options, including credit card, ACH, debit, mail, and online via the Internet. All payments are accepted and processed in a separate and restricted-access secure area. All account functions are compliant with GAAP and strict internal accounting procedures.

Online and electronic payment options
Payments submitted by mail
Third-party payments
Post-dated checks
Interest calculations
Non-sufficient funds

Denied credit or debit cards
Chargebacks
Balance adjustments
Offsets
Erroneous payments
Overpayments and refunds

LEGAL REMEDIES

ACSI has an established process that enables us to work with debt collection attorneys in all 50 states. Our legal team verifies accounts have undergone sufficient collection efforts before recommending available legal remedies. Clients approve all available legal remedies in advance, once received we make a final effort to collect before engaging counsel.

Dedicated and experienced legal team
Obtaining client approvals to commence available legal remedies
Utilize local attorneys who are licensed to practice in the jurisdiction in which legal action would be pursued
Execution of post-judgment remedies

Verifying factors used to determine lawsuit eligibility:

- Place of employment
- Account age
- Debt type
- Debt minimums
- Assets and employment identified

QUALITY ASSURANCE AND REGULATORY COMPLIANCE

We have instituted numerous programs, processes, and quality checks and balances via independent Corporate Compliance, Audit, and Legal Departments to ensure complete compliance and ongoing quality improvement, including structured procedures and a documentation library, systems, training, auditing, and reporting.

Full-spectrum compliance services
Demonstrable knowledge and compliance with all regulations
Corporate Compliance Department
In-house Legal Counsel with significant debt collections expertise

Quality assurance controls and audits
Total call recording and real-time voice analytics
Toll-free Consumer Helpline
Multiple internal and third-party audits
Dispute and complaint resolution

TECHNOLOGY AND REPORTING

ACSI has an ongoing initiative through which we routinely seek out the newest technologies to adopt into our processes and use to their fullest potential. We have made significant investments in the latest technologies to put us at the forefront of our industry and provide our clients with the value-

Bloodhound collection system by Roydan of Manitowoc, WI
Highly secure online client account access and collaboration
Expanded communications reach via an online Avatar, email, and texting (texting scheduled to be ready in 2018)

Real-time information
Data analytics
Complete account history detail
Key performance indicators
Standard and ad hoc reports

Service Title	Service Description	
<i>added services and performance results that best serve them.</i>	Consumer Site to accept payments on 24/7/365 basis	Credit bureau reporting (with client approval).

SECURITY AND DISASTER PREPAREDNESS

<i>As users and holders of sensitive client and consumer data, we understand the seriousness of our responsibility to protect client/consumer data and to ensure compliance with all federal and state regulatory mandates as well as our clients' security requirements. We also recognize that our clients need to be assured their outsourcing business partners can provide continuous services.</i>	Third-party annual security audits Security policies and documentation Internal security compliance measures Security training and updates Red Flags Policy Incidence Response Policy	Data loss prevention Business Continuity and Disaster Recovery Policy <ul style="list-style-type: none"> • Peak 10 failover offsite data provider • Agility Recovery mobile disaster recovery provider
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Experience and Qualifications

ACSI focuses on the debt collection markets in which we have the demonstrated experience and proven performance to give our clients an additional edge in attaining higher recoveries.

Many governmental entities are turning to third-party receivables management companies to recover delinquent accounts as a fiscally prudent and effective means to recover the missed revenue that strains their budgets. ACSI has developed a government comprehensive debt recovery package designed specifically to assist governments in recovering the accounts receivable they are owed – including: fees, court fees and fines, parking/moving violations, utility bills, property damage claims, code violations, and personal and business taxes – at any stage during the accounts receivable cycle.

As a result of our thorough and ongoing diligence, ACSI's clients know they can trust and count on us because ACSI's diligence in these areas is first-rate, unique to the collections industry, and even extends to encompass processes and procedures that are controlled by sophisticated technical tools that allow us to automatically schedule and monitor collection operations, service quality, and contract performance.

ACSI has been providing nationwide collection services since 1988. We have experience collecting debts for government, healthcare, financial-retailer creditors, and higher education clients which is all relevant to the City of Franklin's needs as the collections approach is primarily voluntary payment resolution applied to a mix of debt types followed by legal enforcement tools and remedies (if allowed).

ACSI is currently servicing government clients to collect the debt types the City of Franklin anticipates placing with its agency for collection. Equally important, we are consistently a top performer when measured against our peers via client scorecards and when scorecards are not used we consistently strive to improve performance with our own internal benchmarking and quality service reviews. ACSI's average collection rates for our government clients is 13% as account installment payment programs reach full payment resolution. This performance demonstrates how we will successfully achieve reasonable collection targets and our current recovery for the City of Franklin is at 29.3% recovered! Our relevant experience includes:



- ❖ State, County, and City Governments such as:
 - State of Colorado, Department of Revenue
 - Metropolitan Government of Nashville and Davidson County, TN (utility, court, EMS, property damage, etc.)
 - Walton County, FL (EMS collections)
 - **Cities of Columbia, Germantown, Morristown, Tullahoma, and Town of Ashland in TN**
 - City of Mobile, AL (EMS collections)
- ❖ Healthcare Providers such as :
 - ♦ UT Health San Antonio
 - ♦ Vanderbilt University Medical Center
 - ♦ M.D. Andersen Cancer Center
 - ♦ NIX Health, Providence Hospital
 - ♦ Sacred Heart Health System
 - ♦ Gerald Champion Regional Medical

- ❖ Higher Education Institutions such as:
 - ♦ Colorado College Assist, Education Credit Management Corporation
 - ♦ National Student Loan Program
 - ♦ Navient Corporation (formerly Sallie Mae)
 - ♦ North Carolina State Education Assistance Authority
 - ♦ St Mary's University
 - ♦ Loyola University
 - ♦ Dominican University
- ❖ Financial-Retail Creditors such as:
 - ♦ Landmark Credit Union
 - ♦ Broadway Bank
 - ♦ Cook's Pest Control

We work primary, secondary, and aged account placements for our clients, providing them with a full range of services, including:

- ❖ Methodology that includes digging into the details vital to producing a customized and successful collection strategy and extracting the most value from each client's portfolio
- ❖ Account processing, analytics, and prioritization processes that take advantage of a wide range of available information sources to scrub, score, and analyze account data upfront
- ❖ Skiptracing suite of options that allow us to locate and verify consumer contact information throughout the collections process, including automated and semi-automated tools
- ❖ Situational letters and calls that incorporate the complementary content, timing, and sequence to create a sense of urgency and continuity that encourages more consumers to contact us to resolve their debts
- ❖ Expanded communications reach via an online Virtual Agent, email, and texting options (texting anticipated to be completed in 2018)
- ❖ Consumer Website (<https://consumerhelpacsi.com/>) that answers common questions, provides links to helpful and informative consumer web pages.
- ❖ Debt resolution dialogue conducted with a professional, helpful, and respectful posture and in a manner that elicits consumer cooperation and focuses on their debt resolution options
- ❖ Adherence to all regulatory requirements, including federal and state policy protocols, information security and privacy, etc.
- ❖ Complementary services such as free financial literacy education for consumers and a toll-free Consumer Helpline separate from collection operations
- ❖ Timely and accurate payment processing
- ❖ System-generated, custom and ad-hoc reporting

TEAMWORK
MOTIVATION
INSPIRATION
LEADERSHIP
VISION
+ INNOVATION

SUCCESS



Approach to Meeting the City of Franklin's Collection Needs

If we could sum up ACSI's approach to debt collections in one phrase, it would be "diligent excellence" as we seek to achieve the highest recovery results possible while maintaining strict regulatory and data security compliance.

Partnership and Persistent Customer Service

Our approach to meeting the City of Franklin's needs and requirements is unique and progressive for our industry in that ACSI will operate as an extension of the City of Franklin via our persistent customer service model which focuses on serving consumers. One of the key elements to the success of this model will be a quality partnership that demonstrates how a coordinated team can accomplish this goal.

Collectively working from the same philosophy will be the foundation to excel in serving your consumers.

Consumer Treatment

Our goal is to be the City of Franklin's highest performing agency when it comes to quality, regulatory compliance and data security, and consumer contact results. We believe one of the means to achieve this goal is our approach to treating consumers as valued customers ("Persistent Customer Service") helps ensure our ability to achieve this goal. This treatment includes providing toll-free numbers by which to contact us, respectfully working with consumers so they perceive our representatives as advocates for them in finding the best solution to their debt(s) and providing accurate and thorough information to them in every instance.

We are able to accomplish this consumer valued customer and advocate posture through 100% buy-in and commitment from all of our employees. ACSI also is committed to validating this commitment every day through stringent compliance monitoring.

Personnel Expertise & Staffing

The qualifications and experience of the ACSI professionals who will work with the City of Franklin and your consumers is one of the most important reasons for selecting ACSI as your collection agency for this contract. We do not anticipate using any subcontractors for this work.

ACSI will assign and dedicate an experienced Project Management Team (PMT) to the City of Franklin for the duration of a contract with ACSI. The core managers of the PMT will be:

Jennifer Sutton. *ACSI's Director of Client Services & proposed Project Administrator* will have primary administrative management responsibility for the City of Franklin's contract. She will monitor all phases of the

City of Franklin's project in accordance with work plans and/or timelines or as determined between ACSI and the City of Franklin. She will also serve as ACSI's primary escalation point for the City of Franklin and ensure the completion of all work in accordance with the City of Franklin's contract requirements, including, but is not limited to, ensuring the accuracy, timeliness, and completeness of all work.

Andy Schultz. *ACSI's Director of Government Debt Operations* will have responsibility for ACSI's collection operations and performance on the various types of City of Franklin government accounts that may be placed with ACSI for collections.

ACSI will assign all personnel required to make the City of Franklin's project a success, including the necessary Recovery Team(s) to work the City of Franklin's contract. They will spend their time working the City of Franklin's accounts until successfully resolved. At ACSI, we achieve the right mix of staffing talent through recruiting top-notch personnel, comprehensive Recovery Agent training, performance accountability, and recognition and reward systems. ACSI employees have a higher-than-average tenure for our industry and, as a result, are highly experienced in their respective area of debt collection expertise. The City of Franklin can expect the collection personnel who will be assigned to work your accounts will have the same level of experience. We also employ Spanish-speaking Recovery Agents and bilingual Consumer Helpline personnel at our Nashville, TN collection facility. We also have the ability to utilize external translation services should they be required.

Unique Service Offerings

ACSI also provides several unique services that will deliver additional value to the City of Franklin at no extra charge.

ACSI has developed a new model for communicating with consumers regarding their delinquent debts. This model focuses on ***persistent customer service*** and ***expands our communications reach*** through an innovative technology combination – Virtual Agent, email, and texting options – that is essential to contacting as many consumers as possible and to best serve Consumers’ needs. Consumers can access these communication options and more via ACSI’s ***dedicated Consumer Website*** described previously.

ACSI has implemented a collaborative communications approach that is reliable, easily accessible, adaptable, seamless, easy-to-use, and, most of all, highly secure and compliant through our ***ClientConnect and Collaboration Center (C2Center)***. ACSI clients connect with us via ClientConnect, a fast, highly secure and intuitive way to transfer files from ACSI to our clients and from our clients to ACSI. The C2Center also allows clients to view their accounts, view and pull reports, make adjustments to accounts, etc. via the C2Center.



Financial Literacy Education is offered to consumers while we work with them to resolve their delinquent debts. This offering is paid for completely by ACSI. It is our hope this additional suite of financial education modules – available online from Inceptia, a national provider of financial education programs and paid for by ACSI – will help them avoid future financial problems.

Account Analytics is an integrated data analysis process by which ACSI identifies which accounts are most likely to pay and the relative value they represent to the City of Franklin as accounts most likely to generate immediate revenue. By ensuring these accounts are prioritized appropriately in the collection work queue, we can increase collections upfront and thereafter maximize the revenues that are collected by blending the right mix of accounts most likely to pay with those that are not.

Experian’s Telephone Number Matching service product verifies phone type (e.g., mobile phone, land line, etc.) and ownership to significantly reduce unauthorized mobile phone calls and potential wrong-party contacts.

Quality Pledge

ACSI concentrates on delivering tangible quality at every level of our company's operations. Internal and external third-party auditing, call analytics and intervention in real time, protected information scrutiny, and security incident monitoring and action plans are just some of the quality assurance protocols we deploy to ensure our work will meet not only our own high standards but also those of the City of Franklin. We also invest heavily in new technology, operational efficiencies, and regulatory compliance.

Satisfaction

The City of Franklin's satisfaction with our services will be the single most important motivator for us and the benchmark by which we evaluate our work product, customer service achievements, and performance benchmarks. It is also a reflection of the ACSI culture, from senior management on down to frontline personnel, to put our clients first in all that we do, including the extra effort we devote to daily client contact and communication, client relationship management, consumer interactions, and contract performance reviews.

Our strong, long-standing client relationships; the above-industry average tenure of our employees' service records; solid, experienced leadership; and excellent results have established ACSI as a financially sound company with a reputation for delivering on our promises, providing top-notch customer service to both our clients and their consumers, and performing as a top-tier, forward-looking, and innovative agency. We hope that after reading about ACSI throughout our capabilities profile that the City of Franklin will select us to continue to be your collection agency partner.

We are confident we can continue to provide the service and performance levels necessary to exceed the City of Franklin's expectations. Our commitment to success if awarded a contract with the City of Franklin is significant. Our motivation is to be the best collection agency business partner for the City of Franklin and, in return, aspire to receive your reference as a high-quality and top-performing agency.

Simply put, we will invest more time, more resources, and more effort than any other agency to achieve this critical goal.



References and Tennessee Municipal Clients

List at least three but no more than five clients for whom with in the last three years, the firm has provided services closely resembling the services being requested. Include type of work (service), timeframe, and contact information. Also, the proposer must provide a listing of any current municipal clients in Tennessee.

<p>Municipality: Address: City, State, Zip: Contact Person: Telephone: Email: Service & Dates:</p>	<p>Metropolitan Government of Nashville and Davidson County (Metro), TN P O Box 291204, Nashville, TN 37229-1204 Saundra Brown, Customer Services Representative 615.862.5367 saundra.brown@nashville.gov December 2013 to Present – ACSI provides 1st and 2nd placement collection services on delinquent, multi-department debts on behalf of Metro's various departments, including Fire/EMS, Criminal Court Clerk, Juvenile Court Clerk, Water Services, Department of Law, and Treasurer.</p>
<p>Municipality: Address: City, State, Zip: Contact Person: Telephone: Email: Service & Dates:</p>	<p>City of Columbia, TN 700 North Garden Street Columbia TN 38401 Molly Benderman, Assistant City Recorder 931-560-1560 mbenderman@columbia.com July 2015 to Present – ACSI provides first placement delinquent debt collection services on court fees and fines.</p>
<p>Municipality: Address: City, State, Zip: Contact Person: Telephone: Email: Service & Dates:</p>	<p>City of Germantown, TN 1930 S. Germantown Rd. Germantown TN. 38138 Cathryn Perdue, Assistant Procurement Director 901-751-7601 cperdue@germantown-tn.gov December 2014 to Present – ACSI provides first placement debt collection services on Ambulance Transportation Service, Court/Traffic Service, and Utility Service accounts.</p>
<p>Municipality: Address: City, State, Zip: Contact Person: Telephone: Email: Service & Dates:</p>	<p>City of Mobile, AL 205 Government Street 4th Floor, South Tower Mobile, AL 36602 Jack Busby, District Chief 251-208-7818 Jack.busby@cityofmobile.org September 2015 to Present – ACSI provides collection services on delinquent 1st placement EMS debts only on behalf of Mobile's Fire and Rescue Department.</p>
<p>Current Municipal Clients in Tennessee</p>	<p>City of Franklin City of Morristown Town of Ashland City Nashville Metro City of Columbia City of Germantown City of Tullahoma</p>

Collection Results

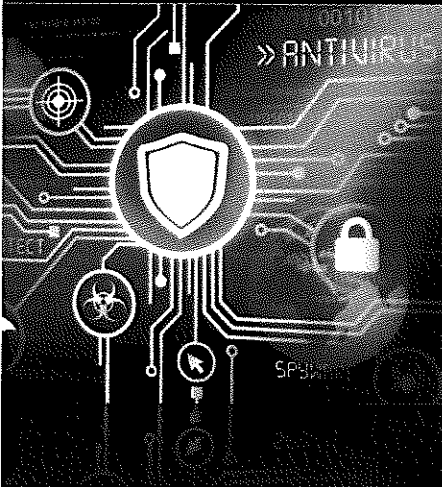
Our goal is to be the City of Franklin's highest performing agency when it comes to quality, regulatory compliance and data security, and consumer contact results. Below you will find some of our collection results for similar municipalities we service here in Tennessee.

Client	Total \$ Placed	Total \$ Recovered	% Recovered
City of Franklin	\$ 846,470.00	\$ 249,422.00	29.47%
City of Tullahoma	\$ 74,256.00	\$ 19,944.00	26.86%
City of Columbia	\$ 757,771.00	\$ 108,387.00	14.30%
Nashville Metro	\$ 9,646,574.00	\$ 1,253,382.00	12.99%

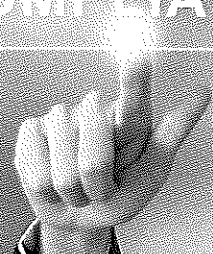


ACSI
Get The Edge

Collection Service Plan



COMPLIANCE



Collection Methodology

ACSI will provide the City of Franklin with a full range of collection efforts equitably based upon type of account, age of account, and amount of account, so that certain kinds of accounts are not given preference for collection efforts if the levels of effort required to not exceed the amounts owed.

ACSI will work with the City of Franklin's accounts from our Nashville (TN) facilities by first scrubbing all accounts for bankruptcy, deceased, military service, and litigious status; the latter enables ACSI to avoid consumers with a litigious history whose conduct and agendas may negatively impact the City of Franklin's reputation. Recovery Agents will perform skiptracing on accounts for which a valid telephone number or address are not available.

Recovery Agents will access numerous information services to seek new contact information, including LexisNexis, Internet Searches, Experian Triggers, Verifacts, CBC Innovis, TransUnion TLO, Equifax Work Number, UConfirm, VerifyJob, Inverify, and NCOA.

We will send an initial validation letter to consumers and highlight their option to communicate and pay their outstanding small balances online via our Consumer Website, which includes the Virtual Agent presentations, access to our payment portal, and their preferred method of communications, e.g., email, telephone, written, and, when completed, texting. (Texting and portal are expected to be completed in 2018.)

The traditional letter and call sequence and timing followed by ACSI are situational and tailored to each type of consumer response, including no response, and are performed as soon as legally permissible. Consumers have the opportunity to request rate adjudication, e.g., validation of the debt(s) owed by them, when responding to ACSI's letters and calls. We send as many letters and make as many calls as are necessary to reasonably attempt debt resolution on accounts for which those efforts are fiscally responsible.

Once contact has been established between ACSI and the consumer, conversations can begin to determine how consumers' delinquent debt(s) can be resolved. If the consumers cannot pay their debts in full, Recovery Agents will work with them to understand their financial situation and establish payment arrangements based on the consumers' financial ability to pay and the City of Franklin's pre-approved payment arrangement criteria. This process includes completing a financial assessment documenting the consumer's financial status and Recovery Agent notes describing any agreements made with the consumer. All debt resolutions are documented in ACSI's collection system and incorporated into consumers' account history files and monitored by Recovery Agents until fully resolved.

ACSI recognizes the changing trends in younger generations who may prefer non-traditional communications and would opt for online and/or mobile solutions. To that end, we have expanded our communications approach to incorporate a one-stop, online Consumer Website to meet these non-traditional communication preferences.

The Consumer Website has been designed specifically to facilitate electronic communications. This innovative communications approach places ACSI at the forefront of the collection industry as we combine the leading edge of technology (our Virtual Agent, email, texting (texting anticipated to be available in 2018), and one-stop Consumer Website options) with the solid, time-tested letter and telephone collection strategies we have followed for years. The result will be an even higher level of performance than our clients expect or have received in the past.

These expanded communication options will augment, NOT replace, our live Recovery Agents. Consumers can also choose how they wish to communicate with ACSI, find useful links to relevant government and other resource web pages, reach out to an ombudsman, make payments online, and subscribe to free financial education courses. **Please follow this link to view our Consumer Website:**

<https://consumerhelpacsi.com/>

The payment option link located on the Consumer Website will route consumers to our Bloodhound Collection System, Consumer Web Link payment page where they will be able to choose from available payment options - including one time and recurring - based on pre-approved client parameters via a payment application integrated with our collection system. This option is also mobile friendly, that when activated by the consumer, will enable consumers to make payments via their mobile devices. This will be completed in Q2 2018 and added to the ACSI letters.

Once consumers enter their identifying account information, they will be presented with the available pre-programmed payment options specific to the client to whom they owe their debts. All pre-programmed payment options are approved by ACSI clients prior to being made available. Consumers will also have the option of contacting a live Recovery Agent and our Consumer Helpline during normal business hours.

Financial Literacy Education is offered to consumers while we work with them to resolve their delinquent debts. This offering is paid for completely by ACSI. It is our hope this additional suite of financial education modules – available online from Inceptia, a national provider of financial education programs and paid for by ACSI – will help them avoid future financial problems.

Once the consumer has agreed to a payment arrangement, the Recovery Agent will set up the consumer's payment plan on our collection system, including amount(s) to be paid, dates when the payments will be paid, payment method, duration of the payment arrangement, etc.

For most delinquent accounts that ACSI works, we typically seek payment via electronic transactions first; as such, most of the payments we receive are generated through electronic payments. ACSI accepts electronic debit/ACH transfers; credit cards (Visa, MasterCard, and Discover) and debit cards; Western Union Quick Collect; paper checks, check by phone, or post-dated checks; and money orders. Payments can be scheduled as a one-time payment or recurring via auto-debit. Third-party payments from credit counselors, family, etc. are accepted with exceptions. All payments will be processed by ACSI and remitted directly to the City of Franklin. These funds net as per your requirements.

If a consumer disputes the City of Franklin's assessment, then we will halt all collection activity and investigate the validity, including requesting additional debt validation documentation from the City of Franklin and/or the consumer, if applicable. If a consumer requests a debt reduction, then we will notify the City of Franklin and provide you with all documentation obtained for your acceptance or rejection of the disputed claim or reduction request.

ACSI screens all accounts for bankruptcy information upon receipt of client placement files. If a bankruptcy claim is verified to be valid, we will suspend collection activity and document the bankruptcy in our collection system. We will also notify the City of Franklin of all new bankruptcy filings discovered. ACSI uses LexisNexis to monitor accounts for filing of bankruptcy during the time the accounts are in active status with ACSI. If contact cannot be made with a consumer, and is permitted by the client, a credit reporting notice is sent to the consumer following initial account placement. This notice advises the consumer that the account will be reported to the appropriate credit reporting agencies.

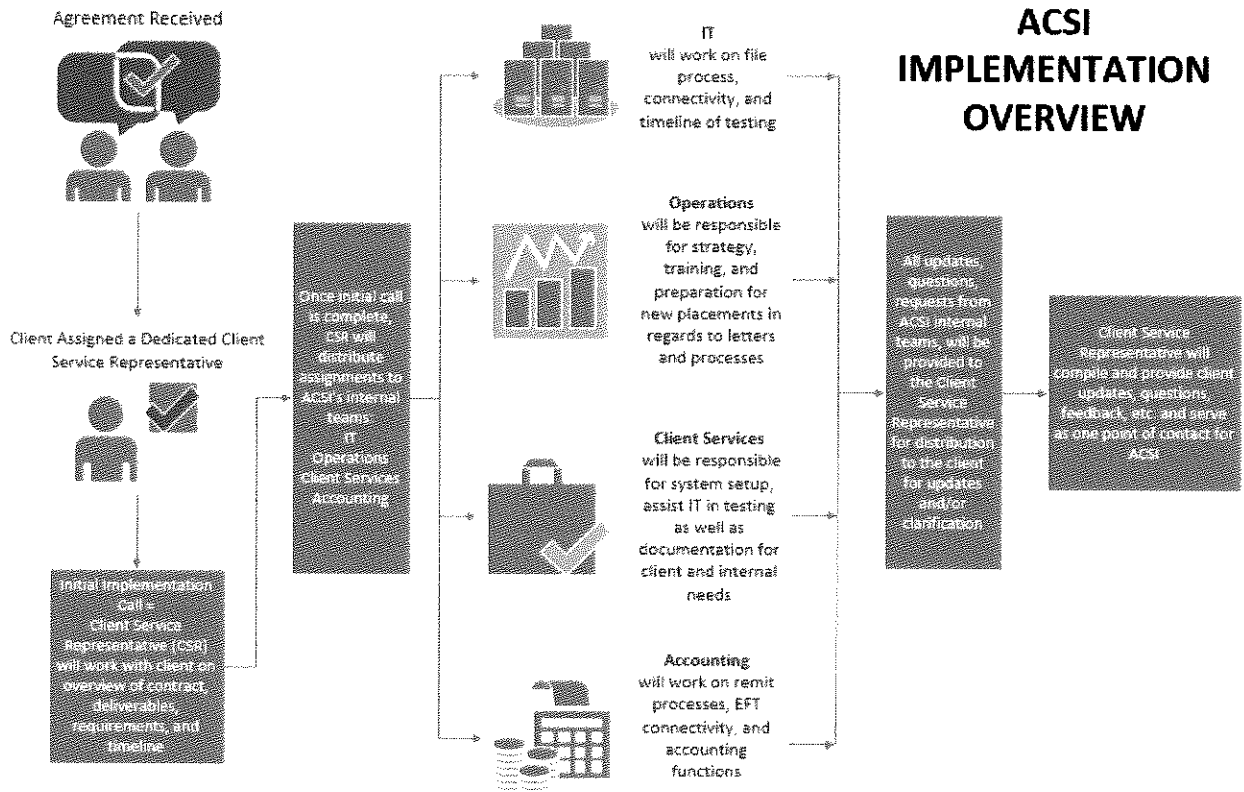
Accounts may be reported to the credit reporting agencies at any time thereafter during the collection process if the consumer becomes non-responsive/un-cooperative and the notification of credit reporting letter has been sent to the consumer. ACSI reports to Equifax, Experian, Transunion and Innovis if approved by the client.

ACSI can utilize a number of legal enforcement tools and remedies to assist your organization in recovering funds that were not collectible during the regular collection process to boost your organization's overall recovery results, including wage garnishments, levies, and liens. If an attorney is needed to perform any of the activities required to fully enforce these remedies (with your organization's approval), ACSI will work with resident attorneys to execute these remedies by locating consumer information such as place of employment, address for service, attachable assets, possible co-signer obligations, etc.

Contract Implementation and Collection Workflow/Workplan

Contract Implementation

As shown below ACSI's client onboarding process is organized, methodical, and interactive. Once a final contract between the City of Franklin and ACSI has been signed, ACSI's proposed Project Administrator, Jennifer Sutton, will begin and manage the contract implementation process.



ACSI personnel who will be assigned to work on the City of Franklin's contract are highly experienced at streamlining the client onboarding process, proficient at minimizing client administrative burdens and are familiar with the City of Franklin's needs and portfolio. We will fully support the City of Franklin's timelines, provide training to meet your team's needs and support in any necessary tasks to assist your staff.

Implementation work steps that will be covered during the City of Franklin's onboarding/implementation process are shown below:

Startup and Onboarding

- Distribute the City of Franklin's Onboarding Questionnaire to be completed.
- Schedule an initial onboarding call to connect and introduce project principals and participants, and finalize the onboarding plan.
- Establish the City of Franklin/ACSI contact list and communication protocols.
- Assign a dedicated Client Services Representative (CSR) to the City of Franklin.
- Discuss and document the City of Franklin's populated Onboarding Questionnaire entries, including individual reporting preferences/requirements, payment preferences, work and service standards plus, performance scorecards, and system configuration requirements.
- Within 24 hours of the initial onboarding call with the City of Franklin, Client Services will provide a call overview and list of deliverables

Systems and Testing

- Document input requirements, file formats, and data/payment transfer and exchange protocols.
 - ACSI does not have a set data dump that we require each client adhere to.
 - We set up our data fields to match clients' data fields; thus, during the onboarding process we map each client's data field to our system, not the other way around.
 - The reason this is important is that many collection agencies operate on collection systems that can only accept a set data field, so the client would have to modify their data field in order to place accounts with that agency electronically.
- Establish placement and payment file acknowledgement/verification reports.
- Establish/test data and file transfers between ACSI and the City of Franklin i- QC testing if current process is changing includes:
 - IT Audit
 - Client Services Audit
 - Operations Audit
- Provide the City of Franklin with access to ACSI's SFTP, ClientConnect and Collaboration Center (C2Center) to enable the City of Franklin to transmit placement files, view your account data, and run reports.
- Train designated City of Franklin personnel on how to use our C2Center. Additional training can be provided to designated personnel by the CSR assigned to the City of Franklin contract if necessary.

Letters, Call Models, Reports, and Scripts

- Customize letters, call models, and scripts format and content.
- Create City of Franklin-specific reports to capture and assemble all of the information the City of Franklin will need to evaluate the work performed by ACSI.

Unique to the City of Franklin's Policy Requirements

- Debt reduction policies.
- Order of payment application methodology.

- Schedules and formats for sending updated files reflecting current consumer account status.
- Account reconciliation processes.
- Credit bureau reporting preferences (if the city elects to include this service dependent on the debt type).

Staffing and Training

- Assign the appropriate number of experienced debt Recovery Agents/Recovery Teams based on placement volume.
- Develop a City of Franklin-specific training module.
- Train other supporting personnel assigned to the City of Franklin's contract and work standard specifications.
- Once ACSI is proficient with the City of Franklin's contract requirements and anticipated volume levels to be assigned, the team of experienced collection personnel selected to work the city's accounts will be introduced to the portfolio and the work they will perform.
- The assigned collection personnel will be presented with the City of Franklin's collection strategy (playbook) and then, the client-specific instruction begins with the training, coaching, and development of the assigned experienced staff.
- Before the contract "go live" date occurs, collection personnel will be knowledgeable on the guidelines, requirements, and goals set for the client.

Go Live

- Receive live files and review.
- Complete production quality assurance measures and audits by the Operations Manager.
- Within a few days after placement, Client Services will reach-out to the assigned Collection Manager to compile issues, requests, and any other items to address with the client. Goal is to discuss any and everything that we can do to support collection efforts during the initial stages of the contract.
- Shortly after collection activity has begun and management has a baseline of what performance can be expected; collection personnel incentives and goals are set to meet and/or exceed the targets and expectations given to us by the client.
- Follow-up bi-weekly until issues have all been resolved and the assigned Collection Manager(s)/Collection Team(s) are satisfied.
- After 2 weeks of acknowledgment and resolution of identified issues, Operations will meet with all involved personnel to discuss results and feedback to adjust strategies if needed.
- 1 Month after account placement, ACSI will arrange a meeting with the client to review project progress, initial project performance, additional issues, etc.

Ongoing Follow-Up

- After the first 6 months of contract "go live", the CSR assigned to the client's contract will review all statements/reports for commission rate, statement creation, and payment accuracy and completeness.
- Operations will report to the ACSI Project Administrator each month on issues and potential new opportunities regarding the contract.
- Proactively reach out to the client to discuss/address all matters concerning the contract and project progression.
- Operations will work with the assigned Collection Team(s) to provide additional requests and data from the client to better support our collection efforts.
- After 4-6 months of collection activity, Client Services will periodically perform a portfolio analysis on accounts that the Operations Manager and/or Client Contract Compliance Team would like insight into.
- The assigned CSR will be available to the client during normal business hours to assist with any requests/concerns/difficulties the client may have.

Workflow & Collection Process Summary

Our workflow overview for collecting delinquent accounts is shown on the following page. We work each and every account placed with us for collection to the fullest extent possible. This means not only resolving as many accounts as possible in the shortest time frame possible and achieving the highest liquidation rates on those accounts, but also following a balanced and helpful approach that works with consumers to achieve a payment solution that reflects their current financial circumstances.

The collection workplan we will follow to accomplish the work required by the City of Franklin is documented throughout the following narrative and summarized on the following page (Debt Collection Workflow Diagram). Our workplan details a summary of tasks ACSI will perform and the timeframes allotted for each high-level category: contract implementation, initial and ongoing collections, and account closure and return. All of our workflows and processes can be modified to meet specific client needs during the onboarding process and modified thereafter as deemed necessary.

Procedures Performed Prior to Recovery Agent Assignment

Account Placement

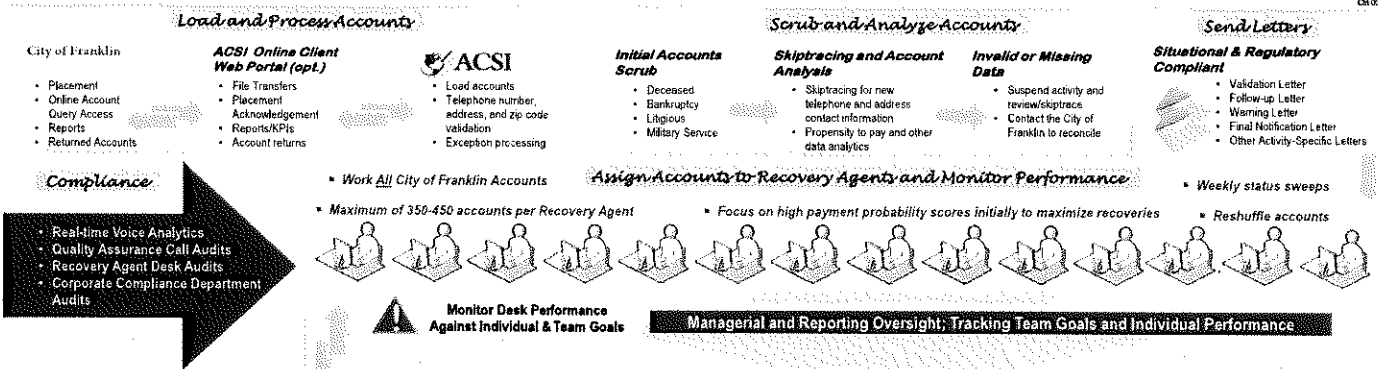
All accounts placed with ACSI for collection are subjected to a series of data processing routines and analyses that validate account file data fields, verify and update consumers contact information, and determine the overall prioritization of collection activity, generally all within 1 to 2 business days of placement receipt. An Acknowledgment Report is generated and sent to the client as a receipt of placement within two business days of account processing completion. This process is automated and semi-automated and takes advantage of a wide range of available information sources to scrub, score, and analyze account data before it is made available for ACSI's Recovery Agents to work.

File Validation and Exception Processing

ACSI's system electronically validates the completeness and logical parameters of the account file fields contained within a client's placement file, including, but not limited to, checks performed such as right number of characters or numbers are present, correct data type is present, for example, numbers are not in the field where only letters are allowed or the right sequence of numbers is present. This step is important because assigned accounts containing invalid data could be worked by Recovery Agents and possibly lead to wrong-party contacts or misidentification of account specifics, a situation that ACSI prefers to eliminate to preserve our clients' reputations and avoid complaints. Exceptions (e.g., accounts containing data that does not match prescribed parameters) are set aside for resolution and all collection efforts are temporarily suspended until the errors are corrected. Any exceptions that cannot be resolved are referred to Client Services to obtain backup data from our clients.

Debt Collection Workflow

Oct 02, 2018



No-Contact Information Searches

- Repeat skiptracing via data brokerage sources for new telephone and address contact information

Lexis Nexis	Experian Triggers
Internet Searches	CBC innovis
TransUnion TLO	eBureau
Equifax Work Number	RNN Group

- Return account if account retention date has expired.

Connecting with Consumers

- Educate consumers on why they owe the debts and discuss the benefits of payment
- Request payment-in-full
- Obtain financial status information and establish payment arrangements
- Suggest options to consumers for obtaining funds to pay
- If a debt is owed by a business, escalate contact attempts to include other responsible parties such as company officers
- Present free financial literacy education offer
- Make calls on missed payments and NSF's
- Respond to inquiries

Pursuing Other Options

- If the client allows debt reduction as a last-resort collection strategy, offer settlements to consumers based on the City of Franklin's guidelines
- Obtain the City of Franklin's permission to litigate or file liens/levies through the court system
- Investigate assets and assign accounts to a registered legal representative to file and monitor
- Collect on the judgment per court order or pursue post-judgment collections; monitor until resolved

Accepting Secure Payments

- ACSI accepts ACSI accepts electronic debit/ACH transfers; credit cards and debit cards; Western Union Quick Collect; paper checks, check by phone, or post-dated checks; and money orders
- Consumers can pay while speaking with a Recovery Agent
- ACSI has implemented a new Consumer Site through which consumers can:
 - Make Payments
 - Get Informed
 - Obtain Free Financial Education
 - Choose email or texting communications
 - Contact an Ombudsman

Collection Workplan

Collections Activities (Ongoing)

Regardless of the balance due, ACSI will utilize the appropriate collection efforts to touch every City of Franklin account.

- Account Scrubbing**
- Validate account data field requirements and extract exceptions for manual scrutiny and/or additional treatment.
 - Seek new and/or updated consumer telephone, address, and zip code information.
 - Scrub accounts for bankruptcy, deceased, military service, and litigious history information.
 - Update account information with new information as obtained.
- Analytics and Scoring**
- Process accounts against propensity-to-pay attributes and scoring modules based on collectability.
 - Analyze scoring results and develop recovery strategy(ies) that are consistent with the City of Franklin's goals.
- Skiptracing**
- Recovery Agents conduct skiptracing via automated information brokerage tools and semi-automated skiptracing, including:
 - LexisNexis
 - Experian Triggers
 - TransUnion TLO
 - CBCInnovis
 - Verifacts
 - NCOA
 - Equifax Work Number
 - UConfirm
 - VerifyJob
 - Inverify
 - As necessary, repeat skiptracing via data brokerage sources for new telephone and address information as current information is deemed invalid.
 - Assign accounts deemed unlocatable after 90 days to Skiptracing Specialists.
- Letters and Calls**
- Set a schedule for letter/call campaigns to produce the City of Franklin's desired outcomes.
 - Mail system-generated Validation Letters generally within 2 business days of account placement and/or locating a valid address for a consumer.
 - Place outbound calls within 2 to 5 business days of account placement and/or locating a valid telephone number for a consumer.
 - Continue to make calls to consumers based on the timing and sequence of consumers' responsiveness or non-responsiveness to previous calls.
 - Send situational letters as allowed by state and federal mandates and regulations, including payment plan agreement confirmation, billing notices, debt reduction agreements, paid-in-full notices, etc.
 - Field inbound calls from consumers and make return calls to consumers.

Collections Activities (Ongoing)

Account Resolution

- Solicit payment-in-full upon first contact with consumers.
- Document consumers' financial status and ability to pay.
- Negotiate good-faith down payments and promise-to-pay arrangements in accordance with the client's approved debt-resolution hierarchy if payment-in-full is not obtainable.
- Explain ACSI's free financial literacy education that is available to consumers.
- Document consumer debt reduction offers and submit to the client for review and approval or denial.
- Send notification letters of intent to debit funds as required by law.
- Follow-up on missed payments on the first day after the payments were due.
- Administratively resolve accounts discovered to be subject to bankruptcy, deceased, military duty, litigious history status.
- Respond to disputes and complaints in compliance with regulatory mandates and in accordance with the policies and procedures implemented by ACSI's Vice President of Administration & Compliance.
- Forward reduction requests to the City for acceptance or rejection.
- Monitor consumers ability to meet their payment arrangement agreements and/or increase their payment amounts on the debts owed to the City of Franklin.
- Automatically place payments that are NSF's or denied by consumers' bank accounts, or credit card denials in Recovery Agents' follow-up work queues by ACSI's collection system.
- Make multiple attempts to contact consumers with NSF's/denials to remind them of their payment agreement/arrangement and find out when they will have the funds available in their accounts for ACSI to resubmit the payments for reprocessing.

Payment Processing and Remittance

- Process credit card and ACH payments and submit to the appropriate financial institution for payment on the same day a payment has been authorized.
- Immediately match consumer payments sent by mail with the collection system's records.
- Identify each payment as belonging to the client's portfolio and deposited the same day it is received into the trust account maintained for the City of Franklin only.
- Deposit all payments in an FDIC-insured financial institution by ACSI's trust accounting personnel on a daily basis. ACSI remits payments to our clients on a daily, weekly, or monthly basis via EFT or check depending on client remittance preferences.
- Maintain a current record of trust account status and reconcile with bank deposit reports.
- Generate a settlement statement which reports all payment-related activity in the trust account since the last statement, including payments received and failures of previous payments (credit/debit card refusals, NSF checks, or other adjustments).

Reporting

- Produce and submit standard, system-generated reports that have been customized to meet the client's data reporting requirements within the client's prescribed timeframes.
- Accommodate the client's requests for ad hoc reports.
- Provide reports via our secure C2Center or client's preferred secure transmittal process.

Performance Management

- Contract compliance audits, Recovery Agent performance reviews, and portfolio analysis reports are reviewed to evaluate results and identify areas of potential improvement.
- Client Issue Form feedback is assessed and integrated into our client services processes and client-specific collection approach.
- Client contract work requirements and ACSI performance data are audited for compliance and performance results. Gaps or issues are discussed with department managers and/or brought before senior management during their weekly project meeting.

Account Closure and Return (Ongoing)

We will deploy a battery of efforts to collect on the City of Franklin's accounts for as long as the City of Franklin's accounts are placed with ACSI for collection.

Meet Return Criteria

- Return accounts for which all contract requirements have been met, including accounts paid-in-full, collection efforts exhausted, administrative resolution, recall, etc.

Complete Documentation

- Capture and document all collection activity in electronic and hard copy formats from the time an account is placed with ACSI for collection and thereafter following account return until account maintenance terms have been met.
- Make all collection documentation available to the client at any time upon request.

Records Archive

- Archive and maintain the client's account records in secure primary and backup environments for the timeframe(s) prescribed by the client.
- Make all client account records and consumer data available to the City of Franklin upon request.

Account Information Scrubs and Verification

Before accounts are released to the collection floor, ACSI's system electronically validates consumer telephone, address, zip code, bankruptcy, deceased, military service, and litigious history information. This process is automated and semi-automated and utilizes a wide range of available information sources to scrub, score, and analyze account data before they are made available for Recovery Agents to work, including the United States Postal Service's National Change of Address (NCOA) database and nationwide directory assistance databases.

Should more current information be obtained, then the primary account demographic data is updated as soon as discovered. If an account number matches that of an existing consumer's account already assigned to ACSI for collection, the new obligation is added to the existing consumer's file. If the area code has changed, the system database is updated to reflect the new information. Scrubbing account information prior to attempting contact with consumers is another quality check through which ACSI seeks to avoid potential wrong-party contacts and avoidable complaints.

Portfolio Analysis and Account Scoring

A key element of ACSI's prioritization process is blending client-specific strategies with both consumer credit and demographic data. We obtain and review multiple attributes to ensure the most effective prioritization needed to resolve accounts in the least amount of time. ACSI uses multiple sources to obtain the desired data and continually monitors the success of these sources to ensure that the best credit and demographic sources are used. This approach allows us to achieve more upfront recoveries for our clients while still pursuing the remaining portfolio of accounts.

ACSI uses LexisNexis' custom portfolio modeling and propensity to pay priority strategy. To that we add credit scoring and other relevant items such as home/property ownership, availability of other attachable assets, employment, etc. The LexisNexis' analytics product is fully integrated with our Bloodhound collection system and provides initial as well as ongoing analysis of a client's portfolio. LexisNexis' assists with directing efforts and points out missed opportunities. Via the LexisNexis' connection, we will build a custom dynamic model specifically for the City of Franklin that will ensure ACSI is performing at the highest level possible.

ACSI also performs upfront and ongoing analyses of each client's debt types and account characteristics to assess which recovery strategies best meet the client's goals based on the composition of accounts assigned. This means we consider account balance, age, debt type, placement level, consumer demographics, etc. to formulate which collection steps and options will maximize recoveries before and during ongoing collection attempts. We don't stop there, we also scrutinize our results to note trends and make adjustments to our approach.

We do not graduate accounts by dollar thresholds; however, we do score accounts. Accounts are scored during account placement processing, which occurs generally within 1 to 2 business days of placement receipt prior to making them available to Recovery Teams including skiptracing, using a LexisNexis scoring model, and custom waterfall process that takes into consideration the consumer's ability to pay, litigation history, zip code, stability based on longevity at current address, etc. ACSI also utilizes a separate scoring model offered by Trans Union that focuses on consumers actual credit score and ability-to-pay factors.

Assigning Accounts to Recovery Agents

Accounts are assigned to Recovery Agents in one of three ways: 1) direct assignment made by the manager via the collection system, 2) consumer is contacted via inbound or outbound calls, and 3) daily replenishment of Recovery Agent work queues.

We will staff for any additional City of Franklin account placements by assigning more than a sufficient number of Recovery Agents already experienced in collecting similar debts. In addition, we will limit the number of accounts assigned to a Recovery Agent to ensure their work volume does not inhibit collection results. We target 450 accounts as the maximum number to be assigned to a Recovery Agent depending on placement level, debt type, the number of valid telephone numbers/addresses available, skiptracing steps performed and/or required, etc.

Skiptracing

Skiptracing Strategy

Skiptracing is important to collection agencies such as ACSI that seek right-party contacts and avoid preventable calls to wrong parties. ACSI has implemented a highly successful suite of skiptracing sources and options that allow us to locate and verify consumers contact information throughout the collection process, including ACSI's proprietary skiptracing tool - Scout, automated skiptracing processes that search electronic databases to match and update consumers address and telephone information before letters are sent, semi-automated skiptracing tools that combine the use of electronic information brokerage tools with the talents of Recovery Agents and Skiptracing Specialists who are trained to use them to their fullest potential, and step-by-step skiptracing techniques that work accounts progressively to ensure all sources have been investigated. The steps followed by Recovery Agents and Skiptracing Specialists vary based on account balance and debt type, but always comply with client strategy requirements.

Skiptracing Tools

ACSI uses a series of skiptracing tools (resource databases) to match consumer names, addresses, and telephone numbers and to rule out death, bankruptcy, military service, and litigious consumers. Our philosophy is to obtain key skiptracing elements initially, so the Recovery Agent has a better opportunity to collect the account early in the placement cycle.

We search for deceased consumer status to comply with debt collection laws and client account and return policies and military service status to comply with new service members' laws affecting collections on those accounts. We identify open bankruptcies to avoid violating the bankruptcy stay, and bankruptcies filed after the date of service (which are manually reviewed) to determine if collection activity can be resumed.

Accounts from litigious consumers with a history of suing for TCPA, FDCPA, and FCRA or other claims are set aside for further evaluation and/or returned to the client. When permitted by law, we also may utilize credit based data to seek updated information and/or to monitor consumers for positive credit activity.

Lastly, we seek to identify employment, ancillary income or stipends, and other asset information that may be tapped to resolve consumer debts. ACSI also uses the National Change of Address database through our letter vendor for the initial letter mailed to the consumers. Should a new address be obtained, the letter is sent to the new correct address and ACSI's system is updated with the most current data.

Together, all of these tools allow ACSI to build a composite picture that directly supports the collection strategy desired by our clients and allows us to assess the best options available for contacting consumers and encouraging them to resolve their delinquent debts. The cumulative results from all skiptracing tools are captured and documented on our collection system and are made available to ACSI's Recovery Agents to compare and cross-reference. ACSI utilizes the most effective skiptracing sources available as shown on the following page.

Skiptracing Resource

Description and Application

LexisNexis Accurint®

LexisNexis® leverages more than 10,000 data sources, providing the large base of public and proprietary information available on the market today

ACSI uses this powerful suite of skiptracing tools to locate both individuals and businesses, including:

- Bankruptcy information
- Deceased consumers
- Litigious consumers
- New physical address information
- Reverse/cross directory
- Three phone numbers and phone type (right-party contact, reference, etc.)
- Place of employment
- Three possible e-mail addresses

TransUnion TLOxp®

Comprised of public and proprietary records, TLO is the most powerful technology in the market for locating and researching connections between individuals, businesses, and assets.

ACSI uses TLO to obtain key consumers information such as current phone numbers, addresses, relatives, associates, place of employment, etc. TLO reports on both individuals and businesses.

Individual search reports include:

- Names, aliases, and SSNs
- Bankruptcies, foreclosures, liens, judgments, and criminal history
- Current and historical addresses
- Phone numbers including listed and unlisted landlines, mobile phones, and utilities data
- Relatives, neighbors and associates
- Assets including property, vehicles, and more
- Licenses including professional and drivers

Business search reports include

- Current and previous employees, officers, and directors
- Assets; bankruptcies, liens, and judgments
- UCC filings
- Business e-mail addresses and websites
- Current and historical phones, addresses, and DBA
- Branches, subsidiaries, parent companies, and headquarters

Skiptracing Resource

Description and Application

Internet Searches

The most powerful web-based tool available for locating consumers

ACSI uses social media to seek new location information, but we do not, under any circumstances, attempt to contact consumers, consumers family, or friends through social networking.

Access to social and business networking sites are allowed for skiptracing purposes only and every action processed through these sites is recorded. We also place e-mail addresses in the search engines of social networks to bring up possible location information. E-mail addresses are also searched through the Internet to show any possible information associated with that e-mail address. Resumes, classified ads, etc. are also searched.

CBCInnovis

CBCInnovis yields and relates multiple active name variations, phone numbers and mailing addresses from various sources to a consumer.

ACSI uses CBCInnovis for searches and information verification, including:

- Right Party Contact (RPC) Reports
- Unique Phone and/or Address Information
- Return Mail Services
- Batch Solution
- Custom Formats for Dialer Operations

Experian Triggers

Collection Triggers tracks accounts and notifies ACSI of new contact information and changes that indicate financial improvement or ability to pay

ACSI uses Experian Triggers for daily monitoring and delivery of trigger results, with flexible delivery methods and optional triggering categories. Experian Triggers' returns:

- Three possible name variations
- Three possible phone numbers
- Three possible addresses
- Three possible places of employment

This information is generated from Experian's credit reporting database; thus, it is a source of information gathered for a different purpose and from a different perspective.

Equifax The Work Number

Available sources include employment verification, identity assessment and authentication, IRS income verification, business verifications, vehicle registrations, and more

ACSI uses The Work Number for the following services to obtain:

- Place of employment information
- Proof of employment or income
- Various Personal Tax, Business Tax, and/or Wage Statements
- Critical information of business organizations and self-employed individuals.
- Verification of auto insurance, address(es), and rental units.
- Constant monitoring of changes to the employment and/or income status of selected accounts.

In addition to purchasing access to commercially available skiptracing tools, ACSI developed and deployed a proprietary custom skiptracing tool, Scout, which enables ACSI to not only locate consumers more quickly and efficiently, but also locate hard-to-find consumers that may have been previously deemed unlocatable by other collection agencies. As a stand-alone and ACSI-proprietary skiptracing tool, Scout incorporates several key features that benefit ACSI and our clients:

- ❖ Scout gathers all of the information accessible through our subscription skiptracing tools as well as any information gathered from the Internet. All information obtained is integrated into our collection system via .xml data transfer and made available to Recovery Agents in real-time.
- ❖ With Scout, Recovery Agents don't have to be on the Internet; they can focus their time on investigating and evaluating available consumer location data.
- ❖ Scout automatically captures all skiptracing information so Recovery Agents don't have to remember to document all of the skiptracing activities they have performed and the results they have obtained. The system does all of this for them.
- ❖ Scout tracks and records all telephone numbers called to minimize the possibility of third-party complaints due to repeat calling or wrong-party contacts.
- ❖ Scout limits repeat searches, thereby eliminating virtually all of the costs associated with repetitive and duplicated online searches.
- ❖ Through Scout, Recovery Agents can click on and dial telephone numbers so that they don't have to manually dial telephone numbers.
- ❖ Because of Scout's design features, it enables ACSI to more diligently work smaller balance accounts that other agencies would probably ignore and/or deem unlocatable.

In summary, Scout is basically the Recovery Agents' interface to the available skiptracing information already obtained via portfolio sweeps and the portal through which they make individual skiptracing information requests. Recovery Agents can also conduct skiptracing searches through information sources Scout has not scoured; however, every information search they do is documented by Scout and recorded in the Bloodhound collection system in real time. This is important because Scout prevents the Recovery Agents from duplicating information searches/requests and making duplicate phone calls. Phone calls are part of the information acquisition process, e.g., a Recovery Agent can call a nearby or some other source one time but cannot call that same number again. This is a huge benefit in the context of lawsuits, complaints, and conformance with the Consumer Financial Protection Bureau (CFPB), FDCPA, TCPA, etc., compliance.

In addition, Scout incorporates a system that tracks consumers' accounts in payment status for timeliness of payments received, amounts paid versus consumers promise-to-pay arrangements, and payments posted and cleared. If payments are missed, ACSI Recovery Agents work to bring those accounts current.

Skiptracing Sequence of Events

ACSI's approach to skiptracing is a waterfall step process that begins immediately upon account placement. Once ACSI has received and loaded a client placement file onto our system, ACSI's data processing personnel run several locator routines that match information brokerage service files against account

names, phone number(s), addresses, and zip codes; unknown or incorrect information is flagged by the system and documented in the account file. Initial placements are also run against bankruptcy, deceased, military, and litigious consumer records. Accounts for which a valid address or telephone number exists receive letters and telephone calls as appropriate. If no valid address or telephone number is available, then ACSI's Recovery Agents and Skiptracing Specialists initiate skiptracing attempts. The step-by-step waterfall strategy ACSI uses to locate consumers is as follows:

- ❖ All accounts placed with ACSI are scrubbed through LexisNexis for bankruptcy information, deceased consumers, and litigious consumers.
- ❖ We also utilize LexisNexis to identify new location information for both individuals and businesses, new physical address information, reverse/cross directory, three possible phone numbers and phone type (right-party contact, reference, parent, etc.), place of employment, and three possible e-mail addresses.
- ❖ E-mail addresses are placed in the search engines of social networks to bring up possible location information only. ACSI does not contact businesses/consumers through their actual e-mail accounts that have been discovered via social networks.
 - ◆ E-mail addresses are also searched via the Internet to show any possible information associated with that e-mail. Resumes, classified ads, etc. are also searched.
- ❖ Recovery Agents perform skiptracing on accounts including telephone and information brokerage searches until they are returned to clients.
 - ◆ They call available telephone numbers in an attempt to contact consumers; they also make calls to relatives but are treated as third-party locator calls.
 - ◆ Employment information is called and confirmed as well. Information brokerage searches include NexisLexis, TLO, Experian, Teletrack, and VeriFacts to name a few.
- ❖ If all other locator efforts have been exhausted, then the Recovery Agent will access The Work Number (TALX) database to identify employer information if the consumer place of employment has not been identified via previous skiptracing or collection attempt activities.
 - ◆ Accounts for which all collection efforts have been exhausted and are candidates for possible litigation are forwarded to Recovery Managers for review and scrutiny before submitting them to ACSI's Legal Manager to process for client review and approval to litigate.
- ❖ Recovery Agents skiptrace accounts as they come up in their work queues until all reasonable skip efforts have been exhausted. If a Recovery Agent has exhausted all efforts, then they can request additional skip efforts from ACSI's Skiptracing Specialists.
 - ◆ Accounts that meet certain balance criteria and for which consumers have not been located within 90 days from account placement may be automatically transferred to Skiptracing Specialists.
 - ◆ Skiptracing Specialist review the accounts in their queue and return the located consumers' accounts back to the collection floor via an action code that redistributes the accounts to the appropriate Recovery Agent.
 - ◆ Our Skiptracing Specialists also conduct individual as well as group training sessions with collection personnel.

We understand the consumer's circumstances will likely change while the account is placed with ACSI. ACSI has alerts set up for monitoring positive or negative credit events with Experian on accounts that we are legally allowed via the Fair Credit Reporting Act (FCRA) to monitor. The account information is sent to our credit bureau vendor which monitors changes on consumers' credit activity over a month's time. Our vendor then returns the information which triggers different strategies in our system, e.g., a special status code is entered if we get a hit, so the Recovery Agent can review the information received. At the end of 30 days we send a refresh file of the accounts we want to trigger. We cease sending accounts to the credit bureau to be triggered 45 days before an account is scheduled to be closed and returned to an ACSI client; this prevents us from accidentally triggering an account that is closed on our system.

Consumer Contact Attempts

Letters and Calls

A Validation Letter is sent generally within 1 to 2 business days after account placement to all consumers to comply with the 30-day period established by the FDCPA for consumers to dispute their debts. Other letters in our letter series are sent based on debt type; type of consumer response, including no response; and as soon as legally permissible and/or in compliance with client contract requirements. ACSI will send as many letters as are required to reasonably attempt debt resolution.

Letters are automatically generated by the collection system based on account status and previous collection activity; Recovery Agents can also select situation-approved letters and request letters be sent. New addresses located via skiptracing may restart the letter series. There are two ways in which ACSI generates collection related letters: 1) The collection system sends the next letter in the sequence following the outcome of the previous letter and/or next step in the collection process and 2) Certain actions or requests will allow the collection staff to request letters, but the authority to send the letter still resides in the collection system depending on the letter requested and the person requesting the letter.

Before paid-in-full letters are issued, ACSI's CSR assigned to that client, verifies correct payoff balances by either confirming the payoff balance amount with the designated client contact or looking it up on the clients' system if view-only access to those accounts has been granted to the ACSI CSR. ACSI does not accept debt reduction offers without prior written authorization from a client.

All telephone attempts comply with requisite federal and state laws. ACSI does not utilize an auto/predictive-dialer due to TCPA rulings regarding mobile phone calling via an auto/predictive-dialer unless there is specific express consent documented. ACSI Recovery Agents make direct, manual calls using the ShoreTel Communicator which has been integrated with our proprietary software, Scout, to create a "click dial" function for available telephone numbers and accelerate the dialing of numbers, in particular mobile phones, in a manual mode. This is an application created by our Senior Software Developer that is loaded onto each Recovery Agent's computer.

If a valid address is not available but a valid telephone is, then telephone attempts will begin within 1 to 2 days of initial account placement and processing. If a valid address is available and/or a valid telephone number, then telephone attempts will generally occur between 3 to 5 days after the initial letter has been sent. Our rationale for making telephone calls within this time frame is that we believe this approach to be the most considerate and professional because it allows consumers time to receive the initial letter and respond to them first should they choose to do so. ACSI will make as many calls as are required to reasonably attempt debt resolution.

The below figure shows our general approach to letter and call timing and sequencing which will be customized to meet the City of Franklin's account-specific needs. Consumers have the opportunity to request rate adjudication, e.g., validation of the debt(s) owed by them, when responding to ACSI's letters and calls.

Letter and Call Timing Sequence

From Date of Placement	Letters/Notices	Telephone Calls
Day 1 thru Day 30	Validation Letter	2 to 4 attempts per week
Day 31 thru Day 60	2 nd Letter – Follow-up	2 to 4 attempts per week
Day 61 thru Day 90	3 rd Letter – Let Us Help You	2 to 4 attempts per week
Day 91 thru Day 120	Notifications	1 to 2 attempts per week
Day 121 +	As appropriate based on previous actions and consumer responses including credit bureau reporting (if allowed and applicable)	
NSF or Declined Credit/Debit Card	Not Applicable	Daily for 10 days

ACSI also sends situational letters throughout the collection process to assist consumers, confirm payment plan arrangement agreements, bill for automated payment debits, confirm debt reduction agreements, issue paid-in-full notices, etc.

ACSI utilizes proprietary “call models” because we place a high emphasis on the Recovery Agent having a conversation with consumers rather than follow a rigid script. There are items, such as the mini-Miranda and the recording statement, which Recovery Agents must state verbatim. However, our call models assist Recovery Agents in steering the conversation toward a resolution and allow them to listen to the consumer's response, assist consumers in a helpful/respectful manner, and to build a Recovery Agent-consumer rapport. Our call models also include common objections made by consumers and ACSI's preferred responses.

ACSI customizes call models for all of our clients to ensure we are operating within regulatory compliance rules and boundaries as well as client preferences. Part of the call model customization process is to establish what should be communicated to consumers during our interactions with them. This is typically done during the onboarding process. We also understand that call models will change based upon new compliance rules, regulatory law changes, and/or client preferences.

Call models we use include, but are not limited to:

- ❖ 1st communication
- ❖ 2nd communication
- ❖ 3rd & 4th communications
- ❖ E-mail call model (which must be read to the consumer to confirm our compliance with the e-Sign Act)
- ❖ Payment acceptance call model
- ❖ Missed payment arrangement call model
- ❖ Common consumer objections and ACSI preferred rebuttals

ACSI currently accepts e-mail from consumers and will respond on a limited basis when given permission by the consumers. Currently, we request emailed or written permission from consumers before we respond to their email or their verbal request for account detail, documents etc., in compliance with the e-Sign Act. The Act requires collection agencies to obtain the consumer's permission to contact them by email which can be in the form of an email to us or in writing. We currently do not initiate email from ACSI unless requested to do so by the consumer. Before we obtain their written permission, ACSI's Recovery Agents disclose five regulatory requirements (a list of their rights) to them via a recorded telephone conversation. By initiating e-mail contact with us after receiving the proper disclosures, we ask the consumers permission to communicate with them via email. We only e-mail a limited number of forms to consumers that do not contain any type of protected information and respond to e-mailed requests by calling or mailing consumers.

Compliant with Regulatory Mandates and Constraints

All ACSI letters and call model scripts are reviewed by ACSI's Director of Administration & Compliance and approved by our General Counsel before they are released for use. These compliance and legal reviews and approvals ensure all communications are compliant with the Fair Debt Collection Practices Act (FDCPA) and all other relevant federal and state regulatory rules; contain all disclosures, such as the Mini-Miranda; and are accurate in both context and content based on debt type and client contract requirements. All consumer telephone calls are recorded and archived for future use, including internal and client auditing for compliance, complaint investigations, and quality assurance.

Managed Inbound and Outbound Calls

All inbound and outbound calls are recorded in real-time for use in consumer complaint investigations, regulatory and client contract standards compliance auditing, and training to list a few benefits of total call recording.

INBOUND CALLS

Incoming calls are routed to specific ACSI collection units based on debt type and to Recovery Agents who are trained and experienced in working the debt type for which the consumer is calling. Consumers who wish to contact a specific Recovery Agent with whom they have been conversing can enter that Recovery Agent's extension number and be transferred to them automatically. In addition, our system eliminates unnecessary hold times and transfers to reduce consumers anxiety and stress. Inbound calls are tracked and recorded by the appropriate processing application with results aggregated for reporting.

OUTBOUND CALLS

Outbound calls are driven in two ways: (1) ACSI's collection system manages Recovery Agents' work queues by displaying the next collection activity to be performed; Recovery Agents make calls based on those work queue activity requirements, including follow-up calls to consumers who have missed payments; and (2) Recovery Agents return calls based on consumer voice mail messages. In both cases, ACSI's Recovery Agents and/or collection system verify that the right consumers have been contacted and all disclosures have been presented to them, including notifying consumers that they are being contacted by a debt collection agency attempting to collect debts and that the calls are being recorded.

Varied and Nationwide Coverage

To better service our clients' portfolios that contain accounts for consumers who are located throughout the U.S. and its territories, ACSI provides several customer service support channels designed to allow consumers more options to reach and respond to ACSI, including extended and weekend work hours and an automated outbound call monitor that permits calls to be scheduled or made only within allowable time frames and prohibits call attempts outside of allowable call times.

Debt Resolution Approach

ACSI's debt resolution approach is segmented by debt type collection requirements: direct collections and specialty collection processes. These protocols and process are described in the following narrative. For all debt types, ACSI will assess the specific needs of debts placed with us for collection and the laws or special collection requirements that apply to that debt during contract implementation. We will adjust our collection processes to accommodate and comply with those needs.

Direct Collections

Once contact has been established between ACSI and the consumer, conversations can begin to determine how consumers delinquent debts owed to the City of Franklin can be resolved. This dialogue will be conducted in a professional, helpful, and respectful posture and in a manner that elicits cooperation and focuses on the consumer's debt resolution options. Recovery Agents are trained to communicate based on the debt types to which they are assigned. As such, they have the background and experience to knowl-

edgably converse with City of Franklin consumers, help them identify potential payment resources, and present them with the option(s) that best meet their situation while adhering to the City's preferences.

Our Recovery Agents always determine if the consumer has the means to pay in full before moving on to other payment resolution options. If a City of Franklin consumer cannot pay their debts in full, Recovery Agents will work with them to understand their financial situation and establish payment arrangements based on each consumer's financial ability to pay and the City of Franklin's pre-approved payment arrangement criteria.

ACSI Recovery Agents will negotiate partial payment arrangements with consumers who are unable to pay their debt in full. Basic payment arrangement protocols are taught during new Recovery Agent training. During the onboarding and implementation process, ACSI will work with the City of Franklin to capture any payment arrangement standards and protocols you prefer we use when negotiating partial payment arrangements with consumers who are unable to pay their debt in full.

Once the consumer has agreed to a payment arrangement, the Recovery Agent will set up the consumer's payment plan on our collection system, including amount(s) to be paid, dates when the payments will be paid, payment method, duration of the payment arrangement, etc.

FINANCIAL LITERACY EDUCATION AND ASSISTANCE

ACSI has made a corporate commitment to help our clients and their consumers by offering, online financial education assistance while we work with them to resolve their delinquent debts. It is our hope this additional suite of financial education modules – available online from Inceptia, a national provider of financial education programs – will help them avoid future financial problems and assist our clients as they manage their accounts receivable portfolios.

Consumers who communicate with ACSI will be provided an initial logon to access the financial education programs. These online, self-paced modules provide financial literacy training that includes:

- Based on the U.S. Department of the Treasury's Financial Literacy and Education Commission's financial education core competencies, this program thoroughly covers the subjects that consumers need to succeed financially.
- Pre- and post- assessments not only help measure consumers' progress, but they help consumers realize how much they've learned.
- Consumers receive lessons from videos, practical application exercises, financial tools and articles. Interactive knowledge checks help them review their progress while learning.
- The content is updated regularly to maintain the highest level of standards.

ACSI also provides Inceptia's Agent Financial Awareness Program, the first of its kind in the industry, to all of our Recovery Agents. This robust program covers a wide spectrum of financial principles and is a training solution that gives our agents the crucial principles of personal finances to provide Recovery Agents with an additional service and knowledge they need to better assist consumers during their communications with them.

RECOVERY AGENT ACCOUNT REVIEWS

Recovery Agents spend time each day calling new accounts, skiptracing unlocated consumers, updating consumers contact information, following up with consumers who have missed payments or submitted documentation required to resolve their accounts, and returning calls. They also field inbound calls from consumers who are responding to a letter or message left.

ACSI Recovery Agents review the accounts in their queues as often as necessary based on the status and activity associated their accounts. As a general practice, new accounts and accounts for which consumers have not been located or have not agreed to establish a payment plan will be reviewed most often while accounts in paying status are viewed on an as-needed basis. For example, new accounts require Recovery Agents to attempt to make contact with the consumers as soon as possible and may require skiptracing consumers for which no valid telephone number or address are currently available in the account documentation provided by our clients. Thus, these accounts are reviewed daily. Accounts for which consumers have established payment plans but have missed their agreed payment due date, are reviewed and queued for the next day's collection efforts once the collection system notifies the Recovery Agent of the missed payments.

In addition to monthly correspondence reminders for those consumers in a payment program, Recovery Agents' daily routines include making calls to consumers who have missed payments, returning voice messages left by consumers, requesting additional letters be sent as next steps in the collection process, contacting consumers whose accounts require additional or authorized documentation, and monitoring consumers ability to increase their payment amounts. At ACSI, we view follow-up action as a key ingredient for helping consumers keep accounts in current payment status, maintaining good relationships and rapport with consumers, and ensuring all collection activity is performed in the order of, and in compliance with, client and regulatory requirements.

Special Collection Processes

DISPUTES

Disputes are viewed as a consumer issue, e.g., the consumer claims the account is invalid, disagrees with the debt balance, needs proof of the debt, etc. We handle disputes by sending the requested validation documentation to the consumer and making an attempt to resolve the issue immediately. ACSI sends Validation Letters to consumers when accounts are placed with us for collection. The Validation Letters provides consumers with all of the documentation received from our clients at the time of placement and notifies them that they have 30 days in which to dispute the debts. Consumers who dispute their debts can do so verbally, via written correspondence, or for credit-related issues electronically via e-OSCAR.

When ACSI receives dispute notices, we halt all collection activity and investigate their validity, including requesting additional debt validation documentation from our clients or the consumers, if applicable. We also provide the documentation and recommendations to clients to accept or reject dispute claims that appear valid. Accounts for which consumers dispute claims are deemed valid are returned to ACSI's clients. Collection activity on accounts for which consumers' dispute claims are deemed invalid is resumed through the normal collection process.

DEBT REDUCTION OFFERS

Specialty payment resolutions can be pursued based on City of Franklin-approved requirements and will follow their work standards, including debt reduction offers which require that all other collection options, e.g., payment-in-full and/or payment arrangements be attempted first. ACSI will not accept debt reduction offers without prior written authorization from the City of Franklin. All payment resolutions are documented in ACSI's collection system and incorporated into consumers' account history files and monitored by Recovery Agents until fully resolved.

ADMINISTRATIVE RESOLUTIONS

ACSI's Administrative Resolution (AR) Group processes ARs that may be grounds for closing an account. Initially, we scrub all newly placed accounts electronically for bankruptcy, deceased, military service, and litigious consumers (consumers who are known to have a previous pattern of filing suit for FDCPA, TCPA, FCRA, or other claims).

If ACSI discovers during the collection process that consumers have filed for bankruptcy, are deceased, will be incarcerated beyond the contract term, or any of the other criteria listed by the client, then we obtain the applicable documentation and will refer those accounts to the City of Franklin for review. This administrative process is applied to all accounts, regardless of debt type or balance. For accounts that require debt-specific resolution, such as debts requiring forbearance due to military service, disability, fraud, etc., ACSI follows the client-prescribed resolution processes to research and resolve or resume collection activity. Some of our other AR processes include:

UNCOLLECTIBLE ACCOUNTS

ACSI does not deem an account to be uncollectible until all collection efforts have been exhausted on an account and no voluntary payment has been received. Accounts may be considered uncollectible once all leads and skiptracing efforts have been exhausted or a consumer does not have and/or will not have the ability to pay due to age, lack of assets, or employment ability.

Our collection system allows us to identify uncollectible accounts based on a number of parameters, including age since assignment, availability of valid telephone numbers and addresses, income status, collection efforts made, and length of time during which no payments have been received. We set up the criteria for determining “uncollectible” based on each client’s portfolio characteristics and goals and then electronically scrub the accounts placed with us to identify and separate those accounts for review and possible close and return. Uncollectible accounts are reviewed by management prior to being closed or placed in an uncollectible status.

Payment Processing Procedures and Systems

Payment Setup and Methods Accepted

Once the consumer has agreed to a payment arrangement, the Recovery Agent will set up the consumer’s payment plan on our collection system, including amount(s) to be paid, dates when the payments will be paid, payment method, duration of the payment arrangement, etc.

For most delinquent accounts that ACSI works, we typically seek payment via electronic transactions first; as such, most of the payments we receive are generated through electronic payments. ACSI accepts electronic debit/ACH transfers; credit cards (Visa, MasterCard, and Discover) and debit cards; Western Union Quick Collect; paper checks, check by phone, or post-dated checks; and money orders. Payments can be scheduled as a one-time payment or recurring via auto-debit. Third-party payments from credit counselors, family, etc. are accepted with exceptions.

Payment Posting and Processing

Payments are applied following each client’s payment hierarchy, including collection fees, penalties, interest, and principal. Most payments are posted within one business day of receipt. Payment processing procedures include:

Online and Electronic Payments

Credit/debit card payments are processed by ACSI’s Trust Accounting Department using a secure PCI-compliant ePay vendor. The ACH payments are created in house via the bank-required National Automated Clearing House Association (NACHA) program and uploaded directly to our bank Trust Account.

Payments Submitted by Mail

Check payments received via the mail or other means are reviewed against consumers' account information to verify the correct consumer account, to identify restrictive endorsements, and to match payment amounts against promise-to-pay payment arrangements before posting.

Cash Payments

Cash payments are received infrequently. They are accepted and registered by the Reception Desk, and a cash receipt is processed. A copy is given to the consumer, a copy held at the Reception Desk, and a copy is signed for by the Trust Accounting Department as proof of receipt for processing.

Post-Dated Checks

ACSI accepts post-dated checks sent to us by consumers. These checks are kept in a secured area and reviewed against consumers' account information to verify the correct consumer account, to identify restrictive endorsements, and to match payment amounts against promise-to-pay payment arrangements before posting. As required by the FDCPA, we provide a notification letter to them 7 to 10 days in advance of depositing their check. We find in most accounts that ACH has replaced the post-dated check for repayment. We can either take single or recurring payments depending upon the terms of the payment agreement. ACSI is fully compliant with all NACHA rules as they apply to processing ACH payments.

Third-Party Payments

Third-party payments from credit counselors, family, etc. are accepted with exceptions. We must have consumers' permission to discuss their account with any third party (verbal or written) which is documented in their account history file. If the third-party calls ACSI without, or before permission has been given by the consumer, we can accept payment, but we cannot divulge any information regarding the consumer's account, including initial account balance, remaining balance, etc.

Non-sufficient Funds/Denied Credit or Debit Cards

NSFs and credit card denials are automatically placed in Recovery Agents' follow-up work queues by ACSI's collection system and scheduled for work the same day or the following day, depending on when an NSF/denial is received by ACSI. Recovery Agents make multiple attempts to contact consumers with NSFs/denials to remind them of their payment agreement/arrangement and find out when they will have the funds available in their accounts for ACSI to resubmit the payment instruments to those consumers' financial institutions for reprocessing. Any payments returned to ACSI as an NSF, Denial, Stopped Payment, etc. are placed in our collections system work queues as an 'RTN' or Returned Status, which carries a high work priority to ensure Recovery Agents work them daily. These statuses are monitored and audited frequently to ensure compliance with these procedures. Letters are also sent to notify consumers that a payment has been missed, denied, or returned.

Payments on “closed accounts” will be forwarded directly to the City of Franklin unless the City prefers a different process. Payments on “no account found” will be investigated first by ACSI’s Trust Accounting Department and Client Services Representative (CSR) assigned to the contract. If they are not successful in identifying the correct account, they will engage the Recovery Agent and/or his or her Team Leader and Recovery Manager to assist in identifying the correct account and may include contacting the person who remitted the payment.

Erroneous Payments

Direct payments erroneously sent to ACSI for clients posting their own payments are forwarded to ACSI’s Trust Accounting Department to process and forward to clients.

Overpayments and Refunds (Chargebacks)

If ACSI is notified by the consumer or the client that the consumer is owed funds (e.g., chargeback), the Client Services Representative (CSR) assigned to the contract will verify all account information and, if necessary, obtain authorization from the City of Franklin and/or the assigned ACSI Recovery Manager, to post adjustments to consumers’ accounts and collection fees owed to ACSI. The CSR will also handle bad checks in this manner. Once the CSR has verified all account information and/or received authorization to adjust a balance, the CSR will forward the adjustment to ACSI’s Trust Accounting Department to post. Once our Trust Accounting Department receives notification of a bad check or chargeback, our accounting representative reverses the payment in our system and notes the adjustment in the consumer’s account to track each transaction. Chargebacks and bad checks are reversed or identified prior to remittance to a client.

Offsets

All offsets and other balance adjustments are calculated in real time by ACSI’s collection system as that information becomes available. All offset information is received by our clients and passed along to us to be appropriately noted in the consumer’s account as a client authorized offset/balance adjustment. The client typically establishes a deadline for the identified payment (offset/balance adjustment) to be received. If a payment deadline is not met, then ACSI reports the missed payment to our client. The client then submits the offset to their appropriate government entity seeking authorization to execute the offset. Once the identified offset is claimed and/or intercepted, the client notifies us of the deduction/balance adjustment. ACSI then pulls a report and the Recovery Team Leader and/or Recovery Manager ensures that the offset/adjustment has been deducted from the consumer’s account. The consumer also receives a letter from the government entity notifying them of the balance offset/adjustment.

Internal Payment and Accounting Controls

Payment processing is a sensitive activity and performed by ACSI's Trust Accounting Department only. This department operates within a structured organization model that requires close scrutiny and multiple checks and balances to ensure accuracy, integrity, and quality. ACSI's Corporate Compliance Team regularly conducts compliance audits to ensure all applicable accounting and recording policies are strictly adhered to. In addition, our Trust Accounting Department meets all GAP and other regulatory control of funds compliance requirements. All ACSI personnel who handle confidential payment and client financial data work in secure, separately controlled environments that are accessible only by authorized personnel.

Mail and Payment Processing/Posting Duties

Nearly all payments are delivered by US mail to lockboxes and retrieved by the Trust Accounting Department for processing. Any mail sent to ACSI directly instead of our lockboxes is delivered to the Trust Accounting Department by our Reception Desk daily. The Trust Accounting Department opens all mail and posts all payments. All other non-payment mail received by our Reception Desk is delivered to Client Services for processing.

Logging and Restrictively Endorsing Checks

All checks are logged and processed daily by the Trust Accounting Department and stamped for deposit only as deposit slips are made up. Checks are either hand delivered to the bank or run through the remote deposit system based on the volume of checks received that day.

Reconciling Cash Receipts and Deposits

The Trust Accounting Department uses the "Edit List" from the collection software which reports the amount of each type of payment (cash/check/money order, etc.) posted that day. The deposit is balanced to that report before finalized.

Bank Deposits

Bank deposits are made one of two ways, depending on the volume. A desktop deposit can be done in the Trust Accounting Department with a check reader and the banking software. All checks are scanned into the check reader and an image is uploaded into the banking software. Each image is reviewed for accuracy and is balanced to the reports from the collection software before being posted to the bank. The checks are bagged and stored in locked storage according to client record retention preferences. Deposits that are hand delivered to the bank branch are taken in secured bags by an authorized Trust Accounting Department employee, logged, and processed by bank employees. The duties of individuals who make bank deposits are segregated from other payment processing duties within ACSI.

Storing Un-deposited and Unapplied Funds

Unknown checks or payments are not deposited but copies are given back to Client Services to determine the consumer account the check should be applied to. The checks are stored in locked storage within the Trust Accounting Department. If we are unable to determine the appropriate account it is to be applied to, the checks are returned to the sender. Payments are never deposited without knowing to whom they pertain.

Remittance and Invoice Procedures

Payments made directly to the City of Franklin will be remitted as prescribed by the final contract. All remittances will be accompanied by a remittance statement that details the payment(s) due, matches the ACH deposit of the City of Franklin's funds each month, and documents the collection fee owed to or retained by ACSI, depending on whether gross or net remittance of funds collected is preferred by the City of Franklin. ACSI's trust accounting personnel will also reconcile the remittance statements sent to the City of Franklin with your records.

ACSI will return reimbursements owed to the City of Franklin in the event of an audit finding that the service(s) rendered were not eligible for reimbursement or that the reimbursement amount was excessive. These reimbursements will be returned in the manner prescribed by the City of Franklin.

Account Suspension, Closure and Return

ACSI will follow the City of Franklin protocols for suspending, closing, and returning accounts. As a general practice, our Client Services Representative (CSR) will monitor the aging of accounts and dates of last payments received through system-generated aging reports set up specifically to meet the account return criteria. Accounts may be returned for several reasons, including:

- ❖ The account has been paid-in-full
- ❖ The account has been cancelled or recalled by a client
- ❖ The debt has been disputed, and ACSI's research has not resolved the dispute
- ❖ The account is uncollectable. Accounts are deemed uncollectible when either of the following criteria is met:
 - ◆ All recovery efforts have been exhausted
 - ◆ The consumer is deceased
- ❖ The account retention time frame prescribed by a client's contract has expired
- ❖ Other client contract provisions for account suspension, cancellation and return have been met

Before an account will be returned, it will be reviewed by the CSR assigned to ensure thorough collection efforts have been conducted. Returned accounts will be accompanied by a close and return report identifying all collection data required by the City of Franklin, e.g., consumer address, telephone number, employer, income, assets, and any other information (including the reason for closing the account) pertinent to the collection of the debt, as well as any external documentation obtained to support an account's status.

STAFFING, TRAINING, & MANAGEMENT

The qualifications and experience of the ACSI professionals who will work with the City of Franklin and your consumers is one of the most important reasons for selecting ACSI as your collection agency.

Cultural Values and Conduct

A company's culture says just about everything about how that company and its employees will conduct themselves not only on a day-to-day basis but also year over year for the long haul. Professional attitude, personal demeanor, posture, tone of voice, and preparation, these are the building blocks that make our interaction with consumers more successful, generate fewer complaints than our peers, and result in more recoveries.

In addition, the words "culture" and "service" are rarely put together and associated with debt collection agencies these days. ACSI has kept them together over the years because we believe integrating "culture" and "service" produces a different kind of recovery agency, one that places supreme value on our relationships with our clients and their consumers.

The beliefs, behaviors, and characteristics of an organization also form its culture and are disseminated throughout the organization through leadership example. ACSI's leadership has set the bar for ACSI's company culture by establishing a culture of service that places client and consumer service as a high priority; it is also the driving force for how we conduct ourselves, including exhibiting and maintaining a professional, helpful, and respectful service posture at all times.

STAFFING HIGHLIGHTS

- ◆ ***Project Management Team (PMT) assigned to the City of Franklin contract to ensure total satisfaction for the duration of a contract with ACSI***
- ◆ ***Employees have a higher-than-average tenure for our industry and, as a result, are highly experienced in their respective area of debt collection expertise***
- ◆ ***Dedicated Recovery Teams to work state agencies' portfolios thoroughly combined with an ongoing recruiting and training process to staff for surges in account placements***
- ◆ ***ACSI will monitor our performance service levels and work to continuously improve our results through weekly management meetings, reporting, key performance indicators, the City of Franklin and state agency feedback, and audits***

Exceptional client customer service is the basis of ACSI's contract management and staffing approach to ensure strong client relationships, high client satisfaction scores, cooperative and collaborative interactions, and superior work product and results.

ACSI has an exceptional company culture for clients who wish to team with a recovery agency that values our own and our clients' reputations. Our company culture permeates every aspect of our organization, including the CEO, President, Senior Executives, Managers, Team Leaders, and, most important, the front-line personnel who make our day-to-day successes a reality.

Our employees genuinely enjoy working at ACSI. For our employees, their work is not just a job, it is a commitment. Individually, and as a team, we all have a stake in the company's success, reputation, and longevity; however, it's our culture that binds us together and keeps our focus where it belongs.

We were named to the Tennessean's Top Workplace List for 2014, 2015, 2016 (1st Place), and 2017; the only collection agency to make this list four years in a row.

ACSI's success can be mostly attributed to a company-wide belief that a positive attitude, strong character, and excellent work ethic are required of all employees. And, we hold executives and managers responsible for setting an example and mentoring direct reports. The result is that our diverse work force functions as a cohesive team to ensure our clients receive the quality performance they expect.

We also support continued education through a tuition reimbursement program and flexible work schedules to accommodate and encourage employee development.

In addition, ACSI offers a customizable Financial Wellness program hosted by First Tennessee@Work to all of our employees. Overall, these classes are designed to help our employees take control of their personal finances and be empowered to make decisions that better their financial situation. Classes are comprised of a 6 course series and last approximately 30 minutes for each class. The classes are reoccurring and are spaced out every 2 weeks. This program offers one-on-one financial management consultations, financial wellness checkups, and a plethora of other finance management services to our employees.

Recovery Agent Staffing

Recovery Agents and Team Leaders

ACSI provides collection services across a broad range of debt types (e.g., government, healthcare, higher education, and financial creditor/retailer services), and we believe it is essential to match up the right skills and experience to the specific debt types to be collected to ensure we provide the highest recovery results possible. In the recovery management business, employees are the most critical ingredient for creating a recipe for success. At ACSI, we achieve the right mix through recruiting top-notch personnel, comprehensive Recovery Agent training, performance accountability, and recognition and reward systems.

ACSI employees have a higher-than-average tenure for our industry and, as a result, are highly experienced in their respective area of debt collection expertise. The City of Franklin can expect the collection personnel who will be assigned to work your accounts will have the same level of experience. We employ Spanish-speaking Recovery Agents and bilingual Consumer Helpline personnel at our Nashville, TN collection facility. We also have the ability to utilize external translation services should they be required.

ACSI is prepared to dedicate the necessary Recovery Team(s) to work the City of Franklin's contract. They will spend their time working the accounts until successfully resolved.

We also have an ongoing recruiting and training process and overstaff our collection operations to accommodate our clients' surges in account placements; thus, we can transfer experienced Recovery Agents who work our other, relevant debt type portfolios to work the portfolio with no disruption in service to our other clients. In addition, we will hire, thoroughly train, and mentor new collection personnel as appropriate to meet any additional account placement volume requirements.

Because ACSI's personnel are all experienced in debt collections and our company possesses numerous personnel who have been cross-trained and/or worked in various other positions within the company during their tenure with us, we can assign and/or transition experienced personnel on short notice to replace key personnel and ensure our ability to continue with and/or complete our work on the City of Franklin contract with no adverse impact to the City of Franklin.

Recovery Agent Incentives

Individual Recovery Agent and Recovery Team bonus programs, as well as administrative staff bonus programs, ensure ACSI's competitive performance results for our clients meet and/or exceed monthly and annual standards for acceptable performance.

ACSI Recovery Agents are paid a base salary plus a bonus that varies based on Recovery Agent tenure and performance. They are guided by management to meet designated monthly goals, and their productivity is documented on monthly and yearly "scorecards" that track their performance in the following areas: phone calls made, contacts made, percentage of accounts collected, dollars collected, number of accounts worked, timeliness of account work efforts, call audits, and compliance proficiency. The monthly bonus for each individual is based on an accelerating scale that directly reflects that individual's performance.

Team bonuses are awarded based on the entire team meeting its preset goals as well. In addition to providing ACSI employees with excellent financial compensation and benefits, ACSI sponsors incentive programs for employees that exceed their goals: contests, trophies and awards, gift cards, and other specialty motivations.

Recruiting and Hiring

ACSI employs full-time personnel who are tasked with advertising, identifying, screening, testing, and hiring potential candidates for employment. The **figure below** lists the processes ACSI works through to recruit and hire new employees.

In addition, ACSI's Equal Opportunity Employment policy and adherence to that policy demonstrate our support for women, minority, disabled, and other under-utilized populations. As a company committed to also servicing municipal, state, private-sector, and federal government contracts, we pursue the use of all women, minority, disabled, and under-utilized businesses to meet government and private-sector small business utilization goals; thus, we seek to utilize the products and services provided by these businesses whenever and wherever possible throughout our business enterprise.

New Employee Recruiting and Hiring Processes

Process	Resources and Procedures
<i>Recruiting</i>	<p>ACSI's primary recruiting goal is to match qualified candidates with the right job to foster retention.</p> <p>We use a variety of methods to generate candidate leads, including web-based sourcing and recruiting sites, job fairs, trade shows, employee recommendations, and college campuses.</p> <p>We also build partnerships with community-based organizations to enhance ACSI's recruitment strategies.</p>
<i>Screening</i>	<p>ACSI screens all potential new employees prior to extending an offer of employment. Screening includes:</p> <ul style="list-style-type: none"> • Telephone and face-to-face interviews • Third-party background checks for criminal offenses and convictions • Credit reports for defaulted loans and/or delinquent debts that may preclude them from working on a client's portfolio • References • Previous work history checks <p>Together, these screening measures ensure only the best candidates are asked to join our team. ACSI also performs criminal background checks on current employees annually to ensure the highest level of integrity is maintained.</p>
<i>Background Checks</i>	<p>ACSI conducts criminal and other background checks on new hires and annually on current personnel through the following resources:</p> <ul style="list-style-type: none"> • CourtHouse Concepts <ul style="list-style-type: none"> – Court Records Search for past 7 years – Social Security Trace – Sex Offender Registry – Nationwide Crime Index Search • Tennessee Bureau of Investigations • Federal E-Verify system to verify potential employees' eligibility to work in the United States

Process

Resources and Procedures

Pre-employment Testing

ACSI retains Criteria Corp, a company specializing in online, pre-employment testing that provides instant results.

We use the Sales Aptitude Test as the primary tool to evaluate key subsets of the score which was pre-determined by testing a cross-section of our current Recovery Agents. Additionally, we do a basic skills test for learning and retention abilities.

The test scores help to determine aptitude, communication skills, customer service capabilities, and sales skills. Both test scores are reviewed and evaluated by our HR Department and Vice President of Operations before hiring a new Recovery Agent. We screen out potential candidates that may be too sympathetic, overbearing, overly assertive, etc.

No Drug-Work Environment

As a committed drug-free work environment, CSI reserves the right to conduct searches of an employee's personal effects, including but not limited to: lockers, lunch containers, purses, fanny/backpacks, and other personal items located on the company's premises. Entry onto company property or work site constitutes consent by any person to said searches and inspections.

ACSI also reserves the right to conduct drug testing on any employee at any time if an employee is thought to be under the influence of illicit drugs, alcohol, or any controlled substance at the company's expense and conducted at a qualified laboratory.

If an employee is found to be under the influence of illicit drugs, alcohol, or a controlled substance, it may result in disciplinary actions including but not limited to: suspension, demotion, reduction in salary, or termination. In addition, the appropriate law enforcement agency will be notified if an employee is found to be using or in illegal possession of drugs or controlled substances while on the premises, during normal working hours, or during company sponsored events.

Ongoing Recruiting

ACSI requires a constant flow of qualified new candidates to keep pace with our growth and to meet client opportunities as they arise. Our recruiting staff is tasked with monitoring our immediate and forecasted personnel needs. Our staff also tracks key performance indicators to monitor the effectiveness of ACSI's recruiting tools and retention percentages to minimize turnover.

Candidates are matched to available openings and monitored as they progress through the hiring process.

Equally important, ACSI's recruiting staff ensures all of the policies and procedures are in place for compliance with all federal and state employment requirements.

Probationary Period

ACSI's standard probationary period is 90 days, but we evaluate each new employee on an account-by-account basis. New Recovery Agents are assigned goals from month one following completion of their training. If they are progressing along and attaining their goals, they receive a positive initial evaluation. If they are not progressing, then we will continue to work with them if they have the aptitude and commitment to improve. If they still are not progressing following the additional work we've done with them, then employment is terminated. As an incentive, our trainer has a bonus program based upon the success of the new trainees.

Training Program Overview

ACSI's training program delivers the right combination of collections know-how and regulatory compliance to ensure ACSI Recovery Agents are well-prepared to work the client accounts entrusted to us.

ACSI Recovery Agents receive multiple levels of training, including new-hire training in the classroom, mentoring via on-the-job training, coaching via ongoing testing and training, and client contract-specific training. Professional training may also include continued education through a tuition reimbursement program and flexible work schedules to accommodate and encourage employee development.

Recovery Agents are in training for a total of three to five weeks depending upon their previous collections experience, skills development, and proficiency with the processes and compliance requirements necessary to ensure they are servicing ACSI's client accounts at the level expected by us.

All ACSI collection personnel are required to adhere to ACSI's Code of Ethics and pledge to uphold them during new-hire training conducted by ACSI's Training Team. Our company culture mandates courteous and professional conduct based on a consumer-centric style of interacting with consumers.

Basic training content includes:

- ❖ Learning the collections process
- ❖ Using the collection system
- ❖ Skiptracing to locate consumers
- ❖ Communicating with consumers (approach, tone, demeanor, and so forth)
- ❖ The use of scripts and call models
- ❖ Educating consumers on their financial responsibilities and situation
- ❖ Ascertaining consumers' financial ability to pay their debts
- ❖ Selling consumers on the advantages of resolving their debts
- ❖ Explaining to consumers the benefits of Inceptia's free financial awareness offering (as noted below)
- ❖ Establishing payment arrangements
- ❖ Monitoring account status and making follow-up calls
- ❖ Sending situational letters and their sequence

New hires also receive extensive regulatory training on topics including, but not limited to, the FDCPA, TCPA, FCRA, HIPAA, Privacy Act, UDAAP, PII/PHI/ePHI, and GLBA; state-specific regulatory training; and, security awareness and data protection training.

All new hires are tested on their understanding of all regulatory requirements before being assigned to the collection floor. Additionally, all collections personnel are trained and tested on any new laws or regulations pertaining to the collections and data security industry as they are implemented. Semi-annual/annual retesting is required of all collection personnel to validate their continued understanding of current federal and state regulations and laws.

Regulatory Compliance Training

All new ACSI employees are required to attend regulatory compliance training that includes the protection and unlawful/prohibited disclosure of confidential data, especially PII, PHI, and ePHI:

- ❖ CFPB
- ❖ UDAAP
- ❖ GLBA
- ❖ HIPAA
- ❖ Privacy Act
- ❖ FDCPA
- ❖ FCRA
- ❖ TCPA
- ❖ FACTA
- ❖ U.S. Department of Education regulations
- ❖ State regulations and laws

All new hires are tested on their understanding of all regulatory requirements before being assigned to the collection floor. Additionally, all collections personnel are trained and tested on any new federal and state laws or regulations pertaining to the collections industry. Semi-annual/annual retesting is required of all collection personnel to validate their understanding of federal and state regulations and laws.

Security Awareness Training

All new ACSI employees must attend Security Awareness and Data Protection Training. The purpose of the training is to make all users of computers and systems aware of possible threats and vulnerabilities that exist and threaten our critical infrastructure. The topics covered in this training include:

- ❖ Threats and Vulnerabilities
- ❖ Data Classifications
- ❖ Personally Identifiable Information (PII)
- ❖ Personal Health Information (PHI/ePHI)
- ❖ Spillage

- ❖ Passwords and Password Security
- ❖ Physical Security/ Authentication
- ❖ Social Engineering
- ❖ Phishing/Spear Phishing
- ❖ Identity Theft
- ❖ Malicious Code
- ❖ Active X
- ❖ Computer Viruses
- ❖ Internet Hoaxes
- ❖ E-mail Guidelines
- ❖ Peer-to-Peer Software
- ❖ Removable Media
- ❖ Mobile Computing Devices
- ❖ Fax Machines
- ❖ Tele-work and Wireless Technology
- ❖ E Commerce and Cookies

On-the-Job Learning

Employees who pass new-hire training receive one-on-one training with their assigned team. Working directly with their Team Leader and the experienced Recovery Agents who make up their team, new Recovery Agents learn to put their classroom training into practice through role playing, observation, coaching, and mentoring. This sequence allows ACSI to transition new Recovery Agents before they are ready to work client accounts unsupervised from a mock environment to a real-time environment. Team bonus structures ensure ACSI's Recovery Teams also have a vested interest in training new Recovery Agents to be successful.

LITIGATION SERVICES

ACSI has the capability to pursue legal enforcement as a means to obtain payment of delinquent debt(s) from consumers upon the City of Franklin approval to proceed. Legal enforcement includes working with the courts and judges to set court collection dockets for unpaid court orders as well as formal litigation proceedings to obtain payment via liens, levies, and garnishment. ACSI's proposed collection fees for pursuing litigation are included in our cost proposal section.

Legal enforcement is only pursued if all other collection efforts have been exhausted, including consumer communication via mail and phone, unsuccessful attempts to schedule a payment agreement, the consumer fails to make agreed payments, or refuses to set a payment agreement. In order for an account to be referred to our Legal Team, it must meet client requirements for available legal remedies or be an existing judgment for execution authorized by the client.

Legal Services Team

ACSI's General Counsel, Kevin Dreyer, has primary responsibility for monitoring all of ACSI's activities on a company-wide basis for legal compliance and best practices. He oversees the selection, retention, management, and evaluation of all outside debt litigation attorneys and oversees the internal legal functions of ACSI's various departments, including legal account processing and forwarding. Our completed Legal Services Attorney Nomination Form for Kevin and his resume are attached at the end of this section. Should ACSI be awarded this contract, Kevin will serve as the lead attorney for all accounts litigated by ACSI on behalf of the City of Franklin. He will select an attorney licensed to practice law in the State of Tennessee ^{GA} Georgia to support these efforts. We will submit a separate Legal Services Attorney Nomination Form and resume for this individual at that time.

ACSI's Legal Forwarding Supervisor and Legal Assistant are responsible for supporting ACSI's legal services operations, including investigating assets, compiling and reviewing all relevant documentation, and determining the worthiness of pursuing legal enforcement; referring accounts to our contract attorneys who are licensed to practice in the state in which the consumer is domiciled; managing the case work and status reporting of accounts assigned to our contract attorneys; and ensuring that payments received by attorneys are properly accounted for and remitted to ACSI's clients.

Legal Process

Overview

We have a dedicated Legal Team that facilitates the pursuit of legal remedies as a collection enforcement option. The Legal Team monitors accounts that have undergone sufficient internal collection efforts for lawsuit eligibility and will submit accounts we recommend be resolved through litigation

to ACSI's client (via a schedule preferred by the client) for review and approval. Verifying place of domicile, employment, account age and amount due, income and assets available, and ratio of debt to income/assets (e.g., debts that exceed available income and assets are not viable to recover via legal remedies) are some of the factors we use to determine lawsuit eligibility.

We will not pursue litigation without client approval to do so. Upon receipt of client approval to pursue legal enforcement on an account, we will notify the consumer via written correspondence within 5 days and make a final effort to resolve the account. If the final attempt to collect a consumer's account is unsuccessful, we will forward all applicable account documentation to a local attorney who is licensed to practice in the jurisdiction in which legal action would be pursued.

ACSI has an established, internal process that enables us to locate and work with debt collection attorneys in all 50 states. The roster of quality attorneys we work with is an important element of our return on litigation. ACSI keeps our clients informed of ongoing litigation activities through our monthly client status update. We can create any specialized report for the City of Franklin should our standard update not meet your needs or requirements.

Once it is determined that an account is eligible for legal action, we work with the client to prepare all supporting documents (account ledgers, executed agreements, affidavits, etc.) for the attorney to whom we forward an account. In addition, we assign professional skiptracers to litigation accounts that are experts at locating consumers and consumer assets. The ability to locate the most current and accurate information on consumers allows our forwarding attorneys to achieve a recovery rate that is well above the industry average.

One advantage we have is our ability to devote internal resources to locating defendants, a common hang-up for attorneys filing lawsuits on behalf of other agencies. Once it is determined that an account is eligible for legal action, we work with the client to prepare all supporting documents (account ledgers, executed agreements, affidavits, etc.) for the attorney to which we forward an account. The attorney serves the defendant(s) and files the lawsuit in the applicable jurisdiction.

ACSI monitors attorney activity on behalf of our clients, noting when attorneys send legal final letters to consumers, prepare and file suit after the 30-day waiting period in which consumers have to respond to the legal final request and the validation letter has expired, monitor the issuance of civil warrants by county clerks to a sheriff or process server to make sure consumers are served with the warrants before they expire, and attend court dates until a judgment is entered.

Referring Accounts to Legal

In order for an account to be referred to ACSI's Legal Team it must meet client requirements for suit or be an existing judgment for execution. In addition, the following criteria must be met:

- ❖ Verified employment or bank account information and a valid address for process to be served.
- ❖ Legal process is only pursued if all other collection efforts have been exhausted.

- ❖ Communication by mail and phone, an attempt to schedule a payment agreement, the consumer fails to make agreed payments or refuses to set a payment agreement.
- ❖ An asset search to identify a consumer's ability to pay is performed. ACSI searches include employment, banking information and real property, if a lien is a viable option. Asset searches are performed via public records, Accurint, TLO and previous payment information.
- ❖ A final communication will be made by letter and telephone call to explain the intent to file suit or execute judgment, if payment is not made.

Minimum Litigation Account Value

ACSI does not have a set minimum account value for determining whether or not to recommend litigation on an account. The two key factors in determining whether or not to recommend litigation on an account are 1) the amount owed plus the collection contingency fee which includes legal costs and 2) the relative value of the assets held from which the consumer can pay the amount owed, collection costs, and net a return to our clients. If collection costs are greater than the amount owed, then it is not fiscally viable to litigate. If collection costs are less than the amount owed, then it may or may not be fiscally viable to litigate depending on whether or not the final collected amount netted back to our clients is enough to net a sufficient return to our clients and cover the administrative time required of both ACSI and our clients throughout the litigation process.

Asset Investigations

If consumers refuse to pay their outstanding debts and ACSI has identified assets such that the cost of recovery does not exceed the likely return, then ACSI's Legal Team reviews those accounts prior to requesting approval from our clients to refer the accounts to our network of attorneys. Assets investigated include, but are not limited to, gainful employment, other sources of attachable income, bank accounts, money market accounts, vehicles, water craft, homes, additional properties such as rentals, etc. All identified potential assets are documented on ACSI's collection system as part of the consumers' account history detail.

Compliance with the Service Member's Civil Relief Act

ACSI screens all accounts for military service information upon receipt of client placement files. Accounts identified to be military service status are flagged on our collection system and the Administrative Group verifies all military service, both active duty and discharged military service information through available verification sources (military records, educational institutions, etc.) and compiles all requisite, supporting documentation.

Before any account is approved for litigation, a check is made with the SCRA website to ensure we do not litigate active duty military personnel. We place accounts on hold and direct the consumer to the creditor to file their extension requests under SCRA. We wait until the client notifies us of whether or not the extension has been approved and then process the account accordingly.

Levies

A sheriff or other officer of the law can be ordered by a court to make a levy against any property not entitled to an exemption. The court can do this with an order of attachment, by which the court takes custody of the property during pending litigation, or by execution, the process used to enforce a judgment. The order also directs the sheriff to make a written statement of efforts and to return it to the clerk of the court where the action is pending. This report, called a return, lists all the property seized and the date of seizure.

The sheriff's act in taking custody of the defendant's property is the levy. A levy on real property is generally accomplished by giving the defendant and the general public notice that the defendant's property has been encumbered by the court order. This can be done by filing a notice with the clerk who keeps real estate mortgages and deeds recorded with the county. An attempt to attach a consumer's property is effective only after a levy, and from that time on there is a lien on the attached property.

ACSI will contact the City of Franklin's attorneys to sign off on levies. The payments from the levies will be received by the City of Franklin which will, in turn, compensate ACSI for our collection fee. If we will be working with our forwarding attorney to issue garnishments/levies, the attorney's office will receive payment, net out their fees, remit a check to us once a month and we disburse the payment to the City of Franklin from there.

Liens

A lien is any legal claim on real property that acts as a security for the payment of a debt or other obligation. As this applies to collection agency attempts, Judgment liens are court awards for money owed to a creditor; the liens are attached to the consumer's property and following sale of the property against which the lien was placed, the funds are remitted to ACSI's client.

The process of obtaining a lien on real property varies by state. We will use the state of Tennessee as our example. The first step that must be taken in order to obtain a judgment lien against real property is to request a certified copy of the judgment from the county court clerk's office in which the judgment was entered. A certified copy bears the court clerk's official seal that signifies the judgment is a true and official copy obtained from the court. Second, the certified copy of the judgment must be either mailed or delivered to the Office of the Register of Deeds. At that time, the address and information regarding the real property is researched, compiled, and recorded in the Register's database as having a judgment lien against the property. An official sticker is affixed to the certified copy of the judgment (usually on the back of the document) which indicates who recorded the lien, the date and time of recording, and what book, page number, and location in which the lien and information can be found.

Interrogatories

Interrogatories are one of the most commonly used methods of discovery. They can be employed at any time and there is no limit on the number that can be served. Our forwarding attorneys use interrogatories

in an attempt to obtain information to execute upon a civil judgment such as bank accounts or place of employment.

If a consumer has not provided accurate information or is withholding information, a Subpoena is issued for them to appear in court attached to a set of interrogatories. Under court order, the consumer is required to provide any and all pertinent information contained within the interrogatory questions. A "due date" is given for those interrogatories and/or any supporting documentation required to be provided by the interrogatories (tax returns, check stubs, etc.). ACSI can use that information to file garnishments and/or bank levies. If the consumer is still not compliant with the court order, further remedies can be exercised to include a writ of body attachment.

Garnishments

A court order of garnishment allows a creditor to take the property of a consumer when the consumer does not possess the property. For example, if a consumer's work earnings are garnished, then a portion of the wages owed by the employer goes directly to the Judgment Creditor. Because garnishment involves the taking of property, the procedure is subject to due process requirements. The payments from the employer will be received by the City of Franklin which will, in turn, compensate ACSI for our collection fee. If we will be working with our forwarding attorney to issue garnishments/levies, the attorney's office will receive payment, net out their fees, remit a check to us once a month and we disburse the payment to the City of Franklin from there.

Execution of Judgments

Once a judgment is entered, we will verify any consumer assets identified during the collection and discovery process and use all available judgment enforcement tools and procedures, including garnishment, levy, and lien or any other options permitted by the City of Franklin.

If assets have been liquidated or if ACSI is unable to locate other consumer assets, we may file a discovery subpoena to request the consumer appear in court for an order of examination to testify, under oath, on the nature of any current income and/or available assets. All payments received as a result of an executed judgment will be forwarded to the City of Franklin as prescribed.

Court Dockets

If the court and judge are agreeable to the presented collection docket, ACSI could provide the names and address for process service for the consumer to be subpoenaed to court for failure to comply with a court ordered judgment. At that time, the judge would set a court ordered payment agreement. If the consumer fails to adhere to court ordered payment agreement, the consumer will be summoned back into court to show cause as to why the court ordered payment agreement was not adhered to. If the consumer continues to fail to abide by the payment agreement ordered by the court, the judge can order a writ of body attachment.

Proposed Position for the City of Franklin's Contract: Legal Counsel

- ◆ Trusted Company Advisor ◆ Business-Oriented In-House General Counsel
- ◆ Expertise in Litigation and Risk Management
- ◆ Federal and State Legal and Regulatory Compliance ◆ General Corporate Law

■ Qualifications Summary

Kevin Dreyer has over 17 years providing in-house strategic and operational legal support and guidance. Kevin's proven aptitude for litigation and risk management, federal and state legal regulatory compliance mandates, company policy analysis, client and vendor contract reviews, employment/labor law matters, internal investigations and general corporate law matters, and defending companies against judicial lawsuits, make him uniquely qualified for the position of ACSI's In-house General Counsel. As ACSI's General Counsel, Kevin is responsible for leading our corporate strategic and tactical legal initiatives.

Prior to joining ACSI, Kevin provided his legal expertise to the Collections Division of Sallie Mae (a Fortune 500 Company) and to Parallon Business Performance Group, a Division of Hospital Corporation of America.

■ Professional Experience**Automated Collection Services Inc., General Counsel (2015 – Present)**

As General Counsel, Kevin provides senior management with effective advice on laws and regulations which are relevant to the various business lines pursued by ACSI, company business strategies and their implementation, managing the legal functions of ACSI's various departments, providing compliance support to all departments, defending the company in litigation matters, and obtaining and overseeing the work of outside counsel. Kevin is directly involved in complex business transactions and negotiating critical contracts as well. Additional job responsibilities include:

- ◆ Participates in the definition and development of corporate policies, procedures, and compliance programs.
- ◆ Provides counsel and guidance on legal matters and legal implications as related to company operations.
- ◆ Evaluates the merits of litigation cases filed against the company, works with the appropriate executive(s) to define a strategic defense, and recommends settlements of disputes where warranted.
- ◆ Provides advice and direction ensuring that the company conducts its business operations in compliance with all applicable state and federal collections laws, including, but not limited to, CFPB, HIPAA, FDCPA, FTC, and all other laws and regulations.
- ◆ Structures and manages the company's internal legal functions and staffing.
- ◆ Oversees the selection, retention, management, and evaluation of all outside counsel including debt litigation attorneys.
- ◆ Monitors and imparts trends, changes in laws and regulations pertaining to collections laws, and the business lines of the company.

Parallon Business Performance Group (A Division of Hospital Corporation of America – HCA), Senior Counsel (2014-2015)

- ◆ Advised the Shared Services Division (SSD) on federal and state laws and regulations related to debt collections, credit reporting, and other consumer financial services laws and mandates.
- ◆ Provided guidance and monitored compliance with federal and state requirements associated with healthcare receivables collection activities: including licensing, operational processes, regulatory requirements, and corporate structure.

- ◆ Supported the negotiation and contracting process for SSD service agreements and third party vendor contracts.
- ◆ Supported SSD in risk mitigation decisions and consulting with other counsel as necessary.
- ◆ Supported the resolution of material payment disputes and escalated issues related to estate, bankruptcy, receivership, lien, third party vehicle injury, and worker's compensation issues related to the collection of medical receivables on behalf of a major regional healthcare client.

Sallie Mae/General Revenue Corporation, Managing Director & Associate General Counsel (2008 – 2013)

- ◆ Promoted to Managing Director and Associate General Counsel of Sallie Mae in 2008.
- ◆ Responsible for legal support for the entire Contingency Collections Division of Sallie Mae.
- ◆ Provided legal guidance and support for Cincinnati, OH, and multiple operational locations in New York, New Jersey, Indiana, and Florida.
- ◆ Assisted the Sales and Operations Groups with negotiation, review, and drafting of client and vendor contracts.
- ◆ Provided training to company employees on federal and state legal and regulatory compliance issues.
- ◆ Managed litigation dockets and all litigation matters filed against the Contingency Collections Division, including consumer lawsuits, contractual disputes, and employment practices/EEO.
- ◆ Represented the company in significant collection matters (breach of contract) against clients and suppliers.
- ◆ Provided legal support and advice to senior management and HR regarding employment, labor, and HR issues.
- ◆ Advised senior management regarding commercial leases for company facilities.
- ◆ Provided legal support and advice to senior management on the creation of subsidiary companies and advice regarding the acquisition of unaffiliated company's.

Sallie Mae/General Revenue Corporation, Associate General Counsel (2007 – 2008)

- ◆ Promoted to Associate General Counsel in 2007.
- ◆ Responsible for litigation/risk management, legal and regulatory compliance, review drafting and approval of contracts, employment law practices, and general corporate law guidance for multiple operational offices in multiple geographic locations.
- ◆ Successfully defended the company in a qui tam False Claims Acts filed against Sallie Mae and several other higher education industry defendants in the U.S. District Court, Southern District of Ohio.

Sallie Mae/General Revenue Corporation, Assistant General Counsel (2004 – 2007)

- ◆ Promoted to Assistant General Counsel for Sallie Mae in 2004.
- ◆ Responsible for litigation/risk management, legal and regulatory compliance, contract review, contract drafting and approval, employment law practices, and general corporate law guidance.
- ◆ Partnered with Operations Management and the State of Indiana government representatives to draft and implement a contract between General Revenue Corporation (GRC) and the Indiana Department of Revenue (IDR), by which GRC provided collections and call center services related to the State of Indiana's Tax Amnesty program.

General Revenue Corporation (a subsidiary of Sallie Mae), Corporate Counsel (2002 – 2004)

- ◆ Promoted to Corporate Counsel when General Revenue Corporation was acquired by Sallie Mae in 2002.
- ◆ Provided primary legal support for Sallie Mae (the largest student loan collection agency in the United States).
- ◆ Provided litigation/risk management services, legal and regulatory compliance guidance, contract reviews, contract drafting and approval, employment law practices, and general corporate law guidance.
- ◆ Advised the company on intellectual property matters, including preparing and filing copyright and trademark applications.
- ◆ Responsible for the Legal Departments staffing and budget for General Revenue Corporation.

General Revenue Corporation, Staff Attorney (2000 – 2002)

- ◆ Assisted Corporate Counsel with all legal issues related to General Revenue Corporation, which at that time was a privately held student loan collection agency located in Cincinnati, Ohio, with one office and approximately 450 employees.
- ◆ Responsible for contract review/drafting, federal and state regulatory compliance, and litigation management.

Lutz, Cornet, Meyer, & Rush, Lpa, Partner-Private Practice of Law (1994 – 2000)

- ◆ General practice of law – personal injury and civil litigation, bankruptcy filings, real estate law, family law, and criminal law.
- ◆ Served on Arbitration Panels for Hamilton and Clermont County, Ohio, Common Pleas Courts.
- ◆ Set company revenue records for individual collector multiple times.

■ Education & Training

- ◆ Salmon P. Chase College of Law, Kentucky – Juris Doctor
- ◆ Northern Kentucky University, Kentucky – B.A. Political Science
- ◆ University of Cincinnati, Cincinnati – Executive Program (UCEP)

■ Certifications & Memberships

- ◆ Supreme Court of Ohio
- ◆ United States District Court, Southern and Northern Districts of Ohio
- ◆ United States Court of Appeals – 4th and 6th Circuits
- ◆ United States Supreme Court
- ◆ Member – Ohio State Bar Association

Government Services Call Models and Scripts

The Government Services department's call models are designed to encompass all of the required elements of conversation with a consumer. The call models will assist in helping the two parties come to a resolution in a compliant manner.

FIRST COMMUNICATIONS (GOVERNMENT SERVICES)

Hello, may I please speak with Mr. / Ms. (Debtor's first and last name). My name is (Rep's name) and I am calling on behalf of (Client Name). Before I can discuss this personal business matter with you, I need to confirm your identity.

Pick any from the following

- a) Please verify if these are the last 4 digits of your social security number-(give last four of SSN)
- b) Please verify that you are the correct party, by indicating if this is your birthday?-(give month/day ONLY)
- c) Please verify if this is your correct address?

Thank you for confirming your identity, Federal law also requires me to inform you, this is an attempt to collect a debt by a debt collector, and any information obtained will be used for that purpose. This call may be recorded for quality control or training purposes.

Mr. / Ms. _____, I am with Automated Collection Services, a collection agency that is collecting on behalf of (Client's name) to help you in resolving your account in the amount of \$(total balance)

We are here to assist you in resolving your account.

How will you be paying your balance today of \$(balance)?

How long will it take to get the full amount?

How short of the balance are you? (*Explain the benefits of paying/settling the account in full specific to the client.*)

If you are unable to pay the balance in full at this time, our client (client's name) may be willing to discount the account at a reduced amount which could be a substantial savings to you. (*Complete required documents for the client to provide an estimate for the discount.*)

You may qualify for a repayment plan. *Explain the benefits of a repayment plan specific to the client.*

LEAD INTO THE FINANCIAL STATEMENT

Before we can set you up on any type of repayment plan, I must first update your account to justify to our client that you do not have the means to pay the balance in full. I will be asking you a series of questions which will help us determine a repayment arrangement.

Demographics:

- What is your current home address? Home Phone? Cell Phone?

Expenses:

- How many dependents do you have?

- How much is your mortgage/rent?
- What major credit cards do you have? Additional loans?
- How much is your car payment? Who is it financed through?
- Do you have any other expenses besides food, clothing and utilities to take into consideration?

Income:

- How long have you been with you current employer? What is your current title?
- What is your monthly net income? What is the frequency of your pay?
- What is the name of your employer?
- What is your work phone number?
- What other source(s) of income do you have? (Disability, SSI, Govt. aid)
- What is your spouse's name and income?

FINANCIAL STATEMENT REBUTTALS

Uncooperative on Financial Statement

Mr. /Ms. *(borrower name)*, before we can determine a repayment plan, we must have this information on file. It is very brief and will allow us to determine a payment that best suits your current financial situation. **(Go back to financial statement)**

IF THE CONSUMER STILL REFUSES, GET A SENIOR COLLECTOR OR A MANAGER TO ASSIST WITH THE CALL.

Uncooperative on Financial Statement

Mr. /Ms. *(borrower name)*, do you intend on paying this back? Are you in a position to pay this account in full? With your cooperation, we can get you approved for a repayment plan, but without the information, we are unable to determine what you may or may not be able to pay.

GIVING OPTIONS

Mr. /Ms. *(borrower name)*, thank you for holding. Good news, we were able to get some options for you to consider. These repayment options are based on the total amount outstanding and your current financial situation. Keep in mind; you may represent your payment with a Visa, MasterCard or a checking account.

The first payment option is for a good faith down payment of \$_____ with monthly payments of \$_____ until the loan is paid in full. **Pause (if unable to commit, continue)**

Another repayment option for you to consider is a good faith down payment of \$_____ with monthly payments of \$_____ until the loan is paid in full. **Pause (if unable to commit, continue)**

Give a down payment amount and payments that you feel may suffice.

Mr. /Ms. *(borrower name)*, I have seen cases where an individual, such as yourself, has been granted special consideration. Why don't you tell me what you can come up with as a good faith down payment and how much you can pay on this account each month without fail and I will and see if I can get a different repayment plan for you.

EXCUSE REBUTTALS

Never Received a Bill

Mr. /Ms. *(borrower name)*, if you did not receive a bill, it is because *(client)* did not have your current mailing address. Please confirm your current mailing address.

Notice says has 30 days to pay

Mr. /Ms. *(borrower name)*, the notice you received does not indicate you have 30 days to pay, the notice states you have 30 days to dispute the debt in writing. Now, how can we resolve this matter?

Never Contacted

Mr. /Ms. *(borrower name)*, the balance is due in full. We have sent correspondence to the address on file. If you would like a billing notification, we can set up automatic payments through your checking/savings account or debit card and you will receive a reminder notice monthly prior to your payment being processed.

Balance Dispute

What questions do you have regarding the balance owed? Mr. /Ms. *(borrower name)*, these accounts are carefully audited prior to assigning them to our agency and our client has assured us this is the correct amount owed.

Consumer Wants to Retain an Attorney

What questions do you have regarding your account? How can I assist you? Certainly it is your right to retain an attorney. We will note the account accordingly.

Distressed Consumer

Mr. /Ms. *(borrower name)*, I can appreciate your circumstances, but I cannot get personally involved. Let me see what I can do to assist you in resolving your account.

Wants to Call the Client

You can call our client if you want to Mr. /Ms. *(borrower name)*, but they are just going to refer you back to our office. Please allow me the opportunity to assist you; what do you need assistance with? **[Provide the client's contact information if necessary].**

Emotional Consumer

Mr. /Ms. *(borrower name)*, I understand this is an upsetting issue. You are one of many consumers in the same situation. Let me see what I can do to assist you.

Claims Bankruptcy

What chapter of bankruptcy did you file? What is your case number? What is the discharge date? What is the name of your attorney? I will send the information to our legal department to confirm this information. *(Send the information to legal and DO NOT work the account until legal gives the okay to proceed.)*

Unemployed

How long have you been unemployed? What type of income do you currently have? How much can you pay on this account monthly?

CLOSING REBUTTALS

Can't Commit to a Payment Today (Needs additional time)

Mr. /Ms. *(borrower name)*, if you are unable to make the required payment at this time, we will need some type of good faith payment to hold the account. Otherwise, you may be subject to further collection activity.

However, I will document your account, letting my manager know that you are trying to get an initial payment and that you will be calling me back tomorrow. I will expect to hear from you by (specific time) on (specific date). If we do not hear back from you, we will have to assume that either you cannot or will not resolve the account on a voluntary basis and note the account accordingly. Please keep in mind Mr. /Ms. (borrower name), we are here to work with you, but in order to assist you, we have to keep open lines of communication.

Refusal to Pay

Mr. /Ms. (borrower name), it is unfortunate that you are choosing not to resolve your account. We have provided you with several options to assist you in resolving your account and you are unwilling to handle this voluntarily. At this time, I will document your account accordingly. I do hope you can get it worked out.

FOTI COMPLIANT MESSAGE

GUIDELINES:

This is the only message to be left on a voicemail for a borrower.

This message may only be left on the borrower's home phone number or cell phone number.

We can leave ONE message per day for the borrower and once a message is left, do not call again within the same day.

Prior to leaving a message on the borrower's home phone number or cell phone number:

- The borrower must have been contacted on the phone number previously
- OR
- The number was called at least 3 times, on 3 different days at 3 different times of the day (morning, noon and evening)

"This is a message for (Borrower's name). If you are not (Borrower's name), please disconnect. If you are (Borrower's name), please continue to listen to this message.

[PAUSE]

(Borrower's name), you should not listen to this message so that other people can hear it as it contains personal and private information.

[PAUSE]

This is (Collector's name) from ACSI. This is an attempt to collect a debt by a debt collector. Any information obtained will be used for that purpose. Please contact me at (TFN or direct #) regarding reference number (ACSI Acct #).

OPTIONAL ADD-ONS:

1. I am calling regarding your account with (client). Please return my call so we may help you resolve your account.
2. I am calling you because, you may not be aware, the payment you authorized did not successfully process. Please call me so we can help you correct this problem.
3. I will be available today until (specific time).
4. I look forward to working with you.
5. I look forward to your call.

6. Again, my call back number is (TFN or DID)
7. I am calling you concerning your returned payment that needs your attention. Please return my call at (TFN or DID).
8. I am calling you concerning returned mail. Please return my call at (TFN or DID) or leave a message with your new address.
9. I called you at (employer), your place of employment, and did not leave a message. Please return my call at (TFN or DID).

POE APPROVED VOICEMAIL MESSAGE

Automated Collection Services employees are allowed to leave messages for the consumer at place of employment after three attempts have been made. They cannot be repeat calls and are at least two hours apart. When the three call minimum is satisfied, you may leave the following message on an employee's voice mail at work

Direct Voicemail Box:

"(Greeting such as Good Morning, Good afternoon etc.), my name is "Collector Name, please give me a call at "your direct line".

This may not be left on a general voice mail, it must be the employee's voice mail at his/her extension. No more than one message per day

WHEN SEEKING EMAIL APPROVAL, USE THE FOLLOWING SCRIPT

1. To confirm we have your consent to email you at the personal email address you provided, correct?
2. And, please confirm the email address is secure and used only by you?

*The consumer must answer **YES** to both questions*
3. Update the Account notes that Consumer has provided permission to communicate electronically.
4. Upon receiving consent from the consumer to allow ACSI to communicate via email, ACSI Operations Manager will forward to consumer E-Sign Consent and Disclosure Form for the consumer to acknowledge.
5. Once the consumer acknowledges receipt and agreement to the terms and conditions, ACSI can send account related documents to the consumer via email, and may also accept electronic signature on electronic documents by the consumer.
6. If any NPI is included in any electronic communication, the communication must be encrypted.

PAYMENT ACCEPTANCE MODEL

Mr. /Ms. (FIRST AND LAST NAME), my name is (COLLECTOR NAME) with ACSI, and I will be verifying and authorizing the arrangement you have set up to repay your account with (CLIENT'S NAME).

ACH Debits: Please start by reading the routing and account number you will be using. (The consumer will read this.) And what name is the account under?

Credit/Debit card: Please start by reading the card number. (The consumer will read this.) And how does your name appear on the card?

By providing your bank account/card information and verbal authorization today (TODAY'S DATE MM/DD/YY):

(For single payment): you are authorizing ACSI to process a one-time ACH debit/card payment of \$(AMOUNT OF DEBIT) on (DATE OF THE PAYMENT).

Is this the amount and date you have agreed upon, and do you authorize ACSI to proceed with this electronic payment? (Wait for consumer to answer)

(For recurring payments): you are authorizing ACSI to process reoccurring ACH debit/card payments of \$(AMOUNT OF DEBIT) beginning on (DATE OF THE FIRST PAYMENT) and each month thereafter on the (DAYS OF SUBSEQUENT PAYMENTS).

Are these the dates and amount you have agreed upon, and do you authorize ACSI to proceed with these electronic payments? (Wait for consumer to answer)

If yes, proceed with authorization.

If no, ACH debit is not authorized, do not proceed.

Thank you. ACH debits/Card payments will be drafter from your bank account with the following information: (Bank account and routing number/last four digits of card AND payment amount). Since we have set you up for automatic payments, you will not need to send any payments, you will simply need to make sure the funds are available for processing on the dates we agreed upon.

Please note that if at any time you wish to revoke this authorization and cancel any scheduled debit to your account, or should you have any questions, you must notify us at 1-800-467-2316 between the hours of 8am and 5pm CST. Do you have any questions Mr. /Ms. (CONSUMER NAME)?

I am glad we were able to work it out. Keep in mind, we are here to assist you and should you have any questions or concerns, please don't hesitate to give our office a call.

EMAIL AUTHORIZATION SCRIPT

To confirm we have your consent to email you at the personal email address you provided, correct?

And, please confirm the email address is secure and used only by you?

The consumer must answer YES to both questions

Update the Account notes that Consumer has provided permission to communicate electronically.

Upon receiving consent from the consumer to allow ACSI to communicate via email, ACSI Operations Manager will forward to consumer E-Sign Consent and Disclosure Form for the consumer to acknowledge.

Once the consumer acknowledges receipt and agreement to the terms and conditions, ACSI can send account related documents to the consumer via email, and may also accept electronic signature on electronic documents by the consumer.

If any NPI is included in any electronic communication, the communication must be encrypted.

Policies & Procedures

Please find a list of all active policies and procedures we use today. Should you need additional insight please let us know. Due to the amount of policies and procedures we have developed to run our business, we have provided a listing of those policies and procedures instead of the individual overviews.

Department	Policy & Procedure
Accounting	Time Clock
Accounting	Trust Accounting Policy
Accounting	Student Loan Invoicing Procedure
Accounting	Accounts Payable Vendors
Accounting	Recovery of Returned ACH or Credit Card Transactions Procedure
Accounting	Non- Guaranty Agency Client Remittance
Accounting	Client Direct Deposit Authorization Form
Accounting	Financial asset management policy
Accounting	Escheatment policy
Accounting	Incoming mail
Accounting	Completion of Annual Audits
Accounting	NSF Policy
Accounting	Processing Online Payments
Accounting	Credit Card Payment Acceptance
Accounting	Payments on recalled accounts
Accounting	Payments on accounts in active BK
Accounting	Recurring payments by mail procedure
Accounting	Invoicing Policy
Accounting	Trust Accounting Balancing
Accounting	Policy for Handling Payments when Not Able to Identify Associated Accts
Accounting	Accepting In-Person Payments
Accounting	Cash Received Policy
Accounting	Segregation of duties
Accounting	ACH Payment Processing
Accounting	Client Cash Reconciliations
Accounting	Direct Payments
Accounting	Electronic check conversion Policy
Accounting	Post Dated Check Cashing Policy
Accounting	Personal Cell Phone and Internet Usage Reimbursement Policy
Accounting	Access to payment processing accounting area policy
Accounting	1099-C Disclosure Policy

Accounting	Accounting Department Deposits Policy
Accounting	Daily Reconciliation Policy
Accounting	Monthly Bank Reconciliation Policy
Accounting	1099 Vendor Issuance Policy
Accounting	Tracking Advanced Court Costs Policy
Accounting	Red Flags
Accounting	Issuance and racking of Company Credit Cards Policy
Accounting	Employee Expense Reimbursement Policy
Accounting	Payroll Processing Policy
Accounting	Payroll Dispute Investigation Policy
Accounting	Payroll Advances and Personal Company Loans Policy
Accounting	Overfunding of Trust Accounts
Accounting	Petty Cash Policy
Accounting	Account Overpayment Refund Policy
Accounting	Anti-Money Laundering Policy
Accounting	Applying Payments to Multiple Accounts Policy
Client Services	Reception and Switchboard Administration Policy
Client Services	Client Privacy Policy
Client Services	Client Remote Access Policy
Client Services	Recalled Account Management
Client Services	Client Concerns Investigation and Resolution Policy
Client Services	Policy and procedures regarding client reporting
Client Services	Onboarding new clients
Client Services	Verifying account balance
Client Services	Closing clients
Client Services	Communicating with clients policy
Client Services	Manual placement policy
Client Services	Account Settlement Authority Policy
Client Services	Written Communication Management Policy
Client Services	Internal Letter Requests
Compliance	Policy creation and maintenance
Compliance	Compliance annual recertification
Compliance	Monitoring Legislation Changes
Compliance	Call monitoring / Evaluation
Compliance	Procedure creation and maintenance
Compliance	Credit Bureau Reports- Managing Updates
Compliance	Credit Bureau Reports- Managing Disputes
Compliance	Complaint handling policy
Compliance	Document retention and destruction policy

Compliance	Training policy
Compliance	Dispute Resolution Policy
Compliance	Consumer credit bureau reporting policy
Compliance	HIPAA Security Management Process Policy
Compliance	Risk Analysis Policy
Compliance	HIPAA Information System Activity Review
Compliance	Compliance Staff Monitoring for Consumer Law Issues
Compliance	Vendor Management Policy
Compliance	New Hire Collector Training Policy
Compliance	Legal Documentation Receipt and Handling
Compliance	Whistleblower Policy
Compliance	Monitoring Legislation Regulatory & Governmental Changes
Compliance	Incident Investigation and Reporting
Compliance	Proper Handling of Beyond Minimum Necessary PHI Received by Client
Compliance	Vendor management audit policy
Human Resources	Equal Employment Opportunity (EEO) Policy
Human Resources	Termination and Resignation Policy
Human Resources	Employee Non-Disclosure and Invention Assignment
human resources	Disciplinary Action policy
Human Resources	Background check policy
Human Resources	Personnel file policy
Human Resources	Employee grievance policy and procedure
Human Resources	Bereavement leave policy
Human Resources	Absenteeism and Employee Bonus
Human Resources	Drug and Substance Abuse Policy
Human Resources	Parental Leave
Human Resources	Paid time off policy
Human Resources	Tardiness policy
Human Resources	Visitors in the Workplace
Human Resources	Dress Code and Personal Appearance
Human Resources	Personalized Work Schedule
Human Resources	On-Boarding Policy for New Employees
Human Resources	Clean desk policy
Human Resources	Criminal offense reporting policy
human resources	Extended leave voice mail handling policy
human resources	Non harassment policy
human resources	Minnesota collector screening policy
human resources	Unpaid time off policy

human resources	Employment review policy
human resources	FMLA policy
Human Resources	HR Separation of Duties - Employee Access
human resources	Eligibility for benefits policy
human resources	Inter-Department transfer policy
Human Resources	Compensation
Human Resources	Management Level Compensation
human resources	New employee orientation policy
human resources	Standards of conduct policy
Human Resources	Employee Service Recognition
Human Resources	Documentation of Employee Changes
Human Resources	Employee Direct Deposit Authorization Policy
Human Resources	Employee Personal Media - Storage Device
IT	Access of terminated employee policy
IT	Anti-Virus policy
IT	Backup and Archive standards
IT	Call recording management
IT	Change control
IT	Change exception control policy
IT	Computer equipment disposal policy
IT	Computer patch management policy
IT	Configuration management
IT	Control ticket process procedure
IT	Data backup policy
IT	Data classification policy
IT	Data handling policy
IT	Data physical transport policy
IT	Data retention
IT	Data security policy
IT	Desktop management
IT	Destruction of data media policy
IT	Encryption key management policy
IT	Encryption policy
IT	FOB policy
IT	HIPAA - Data at rest policy
IT	HIPAA - Data storage policy
IT	HIPAA - data user and access policy
IT	Information Security audits on outside firms
IT	Information security policy

IT	Information security statement
IT	Information technology change management policy
IT	Intellectual property policy
IT	IT user security
IT	Malicious software review process
IT	Network intrusion detection policy
IT	Paper host electronic document storage
IT	Password policy
IT	Patch management
IT	Penetration testing
IT	Policy controlling use of automated dialer
IT	Portable devices
IT	Privacy policies (internal, external, web)
IT	Remote access policy
IT	Secured interoffice file sharing policy
IT	Security access card policy
IT	Security incident handling and reporting policy
IT	Security system badge access log audit procedures
IT	Server hardening policy
IT	Service provider data sharing
IT	Software development
IT	Software usage policy
IT	Software verification and validation plan
IT	System access audit procedure
IT	System controls
IT	System development testing policy
IT	System fail safes
IT	System generated letter policy
IT	System outage control procedure
IT	System password and account lock-out setting screen
IT	Systems access
IT	USB device policy
IT	Vendor observation and inspection method
IT	Video camera recording systems control procedures
IT	Video surveillance retention policy
IT	Virus prevention policy
IT	Voicemail password policy
IT	Work Station security policy
IT	Acceptable Use Policy

IT	Facility Security Policy
IT	Mobile Device Security
IT	Asset Management Policy
IT	Authentication and Access Control Policy
IT	Communication Activities Policy
IT	Organizational and Functional Responsibilities Policy
IT	Risk Management
IT	IT Vendor Audit Policy
IT	Data Media and Paper Destruction
IT	Information Security Risk Management
Legal Services	Filing Probate Claims
Legal Services	Filing a Proof of Claim for Accounts in Ch. 13 BKR
Legal Services	Accounts in Chapter 7 Bankruptcy
Legal Services	Handling Post-Petition Debt in a Ch. 13 BKR Case
Legal Services	EBN- Electronic BKR Notice
Legal Services	Auditing Outside Attorneys
Legal Services	Requesting Costs From Clients
Legal Services	Procurement of Outside Counsel
Legal Services	Handling Consumer Accounts in BKR
Legal Services	Verifying the Deceased Status of a Consumer
Legal Services	Requesting a Litigation Affidavit and Legal Authorization
Legal Services	Identifying Accounts for Legal
Legal Services	Forwarding Accounts to Attorney
Licensing	State Licensing Requirements- Collection Agency, Branch Office ^ Collection Mgr. Licenses
Licensing	State Licensing Requirements- Certificates of Authority & Registered Agents
Licensing	Monitoring Changes in Licensing Requirements
Licensing	Licensing Examinations by State Licensing Regulators
Licensing	Master Schedule Of License Renewals
Licensing	State Licensing Authority Approval of Collection Letters and Forms
Licensing	Licensing, Registration, and Reporting of collectors, Solicitors and Collector Aliases
Licensing	Registration of Trademarks
Licensing	Collection Agency Bonds
Management	Company Mission Statement
Management	Authorized Signature Policy
Management	Management Designation for Business Continuity and Disaster Recovery Policy

Management	Data Security and Protection
Management	Change Management
Management	Code of Company Interpersonal Conduct
Management	Code of Ethics
Management	Workforce Information Privacy and Confidentiality Protection Policy
Management	Business Insurance Policy
Management	Management Oversight of Collection Activities Compliance
Management	Vendor competitive pricing policy
Management	Corporate and Social Responsibilities Policy
Management	Corporate Communications Policy
Management	Corporate Privacy
Management	Reputation Management Policy
Management	Management Report to Board of Directors Policy
Management	Management Directive Regarding Data Security and Protection
Management	Non-Compliant Employer
Management	Board of Directors Approval Policy
Management	Auxiliary Aids and Services for Consumers with Disabilities
Operations	UDAAP policy
Operations	Service members Civil relief act
Operations	TCPA cell phone scrub policy
Operations	Account Documentation
Operations	Bankruptcy Notification
Operations	Call Disclosure
Operations	Caller ID
Operations	Leaving Messages on Recording Devices
Operations	Account Closures
Operations	Non-Public Personal Information Safeguarding
Operations	Account Demographic Maintenance
Operations	Recording Employee and Consumer Telephone Calls
Operations	SCRA Compliance Policy
Operations	Skip Tracing and Resource Usage Policy
Operations	Properly Identifying The Called Party
Operations	Waterfall Processing Policy
Operations	Deceased Consumer Review Policy
Operations	Leaving Messages with Third Parties
Operations	State Laws- NY City

Operations	Communication in Non-English Language
Operations	Third Party Communications
Operations	Email Communications with Consumers
Operations	Fax Transmissions
Operations	Calls to Employer
Operations	Calls to Consumer at Work
Operations	Leaving Messages with Individuals
Operations	Email and Voicemail Monitoring
Operations	Call Frequency
Operations	Appropriate Calling Times
Operations	Cease and Desist
Operations	Post Production Letter
Operations	State Laws- Florida
Operations	Consumer Identity Theft Claims
Operations	Consumer Represented by Counsel
Operations	Non Responsive Attorney
Operations	Telecommunications Relay Service
Operations	Use of Social Security Numbers
Operations	Collection cost
Operations	Payments Acceptance and Processing Fees Policy
Operations	State or City Laws more Stringent than the FDCPA
Operations	Call Model Script Approval
Operations	State Laws- WV
Operations	State Laws- AZ
Operations	State Laws- AR
Operations	State Laws- CT
Operations	State Laws- GA
Operations	State Laws- ID
Operations	State Laws- IA
Operations	State Laws- MA
Operations	State Laws- NE
Operations	State Laws- NH
Operations	State Laws- NY
Operations	State Laws- RI
Operations	State Laws- WA
Operations	State Laws- WI
Operations	Social Media Use
Operations	Leaving Messages on FDCPA- Exempt Accounts
Operations	UDAAP Policy

Operations	Uses of Aliases in Collection
Operations	Student Loan Placement Reconciliation
Operations	Payment Hierarchy Training and Monitoring
Operations	Communications Regarding Credit Reporting
QA	Vendor Management
QA	Vendor Onboarding and Contract Approval
QA	Client Contract Management
QA	Quality Assurance Audits
QA	Client Home Screen Usage
QA	Contract Amendments and Renewals
QA	Process Improvement Policy
QA	Client Recordkeeping Policy
QA	Internal Communication of Audit Finding Data Policy
QA	External Communication of Audit Data
QA	Contractual and Operational Audit Policy
QA	Audit Scheduling Policy
QA	Internal Client Call Monitoring
QA	QA Audit Internal Client Coverage, Timeline and Rationale
QA	Post Production Letter
Sales & Marketing	Anti-corruption and bribery policy
Sales & Marketing	External Gift policy
Sales & Marketing	Business Entertainment Policy
Sales & Marketing	Client Solicitation Policy
Sales & Marketing	New Client Initiation Communications Policy
Sales & Marketing	Business Development Policy
Sales & Marketing	Communications with Company Departments Policy
Sales & Marketing	External Media Approval Policy

Licensing Compliance

ACSI is licensed in all states, counties, and cities which require them and have met all requirements necessary to conduct business in those jurisdictions which do not. We are also able to collect in the U.S. Territories of Guam, Puerto Rico, and the Virgin Islands. Our licensing coordinator is responsible for maintaining ACSI's compliance with all nationwide licensing and certification requirements and for keeping abreast of changes associated with them. In addition, our licensing coordinator, in conjunction with ACSI's in-house legal department, ensures all other filings required to perform collection activity in a specific state or jurisdiction are completed and current. The below figure represents ACSI's compliance with nationwide licensing requirements.

Licensing Compliance

Jurisdiction	Authorized to do Business?	Certificate of Authority	Collection Agency License Number
<i>ACSI maintains all licenses and other required registrations and certificates in the jurisdictions that require them.</i>			
Alabama	●	916-909	Not Required
Alaska	●	122083	549
Arizona	●	F10182301	CA-0910948
Arkansas	●	100110595	4687
California	●	C3193312	Not Required
Colorado	●	20071068654	991841
Connecticut	●	0969244	26755
Delaware	●	4666156	2009603213
District of Columbia	●	290957	400313001154
Florida	●	F13000003749	CCA0900695
Georgia	●	K428945	Not Required
Hawaii	●	39960 F1	COLA 621
Idaho	●	C182284	CCA 7962

Jurisdiction	Authorized to do Business?	Certificate of Authority	Collection Agency License Number
Illinois	●	66647455	017-021786
City of Chicago	●	Not Applicable	2256726
Indiana	●	1993080167	933125-CA
Iowa	●	349090	Debt Collection Notification
Kansas	●	4292686	Not Required
Kentucky	●	0726528	Not Required
Louisiana	●	34988184F	40238363I
Maine	●	20090692F	DCL11336
Maryland	●	F04953592	1277
Massachusetts	●	000997881	DC112040-101
Michigan	●	60217L	2401002325
Minnesota	●	105589	20245393
Mississippi	●	947014	Not Required
Missouri	●	F01336658	Not Required
Montana	●	F056613	Not Required
Nebraska	●	1251652	861
Nevada	●	E0452372009-2	CAD161226
New Hampshire	●	612644	Not Required
New Jersey	●	0101000507	Bond Registration 8939
New Mexico	●	4173506	01183
New York	●	2422630	Not Required
City of Buffalo	●	Not Applicable	CAG11-556935
City of New York	●	Not Applicable	2011364-DCA
City of Yonkers	●	Not Applicable	9054
North Carolina	●	0873503	4449
North Dakota	●	25394500	CA102543
Ohio	●	1731483	Not Required
Oklahoma	●	2312234891	Not Required
Oregon	●	352395-81	CA49588

Jurisdiction	Authorized to do Business?	Certificate of Authority	Collection Agency License Number
Pennsylvania	●	3872395	Not Required
Rhode Island	●	000507119	20121141DC
South Carolina	●	No Entity #s	Not Required
South Dakota	●	FB033332	Not Required
Tennessee	●	000203972	00001436
Texas	●	801110615	Bond Registration 20090164
Utah	●	7303455-0143	7303455-0131
Vermont	●	0087546	Not Required
Virginia	●	F178821-7	Not Required
Washington	●	602929077	602292077-001
West Virginia	●	276097	2223-7548
Wisconsin	●	A060142	706
Wyoming	●	2009-000568471	764
Guam	●	F-3355	13-201300453-001
Puerto Rico	●	14847	SJ-13513-AC
Virgin Islands	●	Not Required	Not Required



ACSI
Get The Edge

Current Collection Letters



DEPT 220 6464218614122
PO BOX 4115
CONCORD CA 94524



RETURN SERVICE REQUESTED

12/17/2014



Automated Collection Services, Inc.

2802 Opryland Drive
Nashville, TN 37214
(866) 376-7829

Hours of Operation

Mon - Thurs 8:00am - 5:00pm CST
Fri 8:00am - 3:00pm CST

CREDITOR: xxxxxxxxx
ACCOUNT #: xxxxxxxxxxxx
AMOUNT DUE: \$xxxx.xx
ACSI ACCT #: xxxxxxx

CONTACT THIS OFFICE

To date, we have not received your payment, and have been unable to reach you by phone. In order to continue your partial payment agreement, we must have a current phone number on file to contact you. Please contact our office as soon as possible in order to update your contact information.

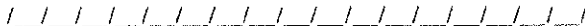
Should you not comply with this request, your arrangement could be cancelled, subjecting you to additional collection activity.

This is an attempt to collect a debt and any information obtained will be used for that purpose. This communication is from a debt collector.

Our office processes payments electronically.

PLEASE SEE REVERSE SIDE FOR IMPORTANT INFORMATION

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



EXP. DATE: _____ BILLING ADDRESS ZIP _____

SIGNATURE _____

CREDITOR:
ACCOUNT #:
AMOUNT DUE:
ACSI ACCT #:

NAME
ADDRESS
CITY, STATE ZIP



AUTOMATED COLLECTION SERVICES INC
PO BOX 17737
NASHVILLE TN 37217

DEPT 220 6568865414121
PO BOX 4115
CONCORD CA 94524



RETURN SERVICE REQUESTED

12/18/2014



Automated Collection Services, Inc.

2802 Opryland Drive
Nashville, TN 37214
(866) 376-7829

Hours of Operation

Mon - Thurs 8:00am - 5:00pm CST
Fri 8:00am - 3:00pm CST

CREDITOR: XXXXXXXXXXXX
ACCOUNT #: XXXXXX
AMOUNT DUE: \$xxx.xx
ACSI ACCT #: xxxxxxxx

Your past due account that has been placed with our office for collection remains unpaid. You have the following options to correct the delinquency of your debt. Check one and return to the above address.

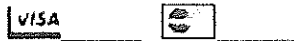
- A. I have attached a check for the full amount.
- B. Please call me at telephone # _____ to discuss payment arrangements.

This is an attempt to collect a debt and any information obtained will be used for that purpose. This communication is from a debt collector.

Our office processes payments electronically.

PLEASE SEE REVERSE SIDE FOR IMPORTANT INFORMATION

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



EXP. DATE: _____ BILLING ADDRESS ZIP _____

SIGNATURE _____

CREDITOR:
ACCOUNT #:
AMOUNT DUE:
ACSI ACCT #:

NAME
ADDRESS
CITY STATE ZIP



AUTOMATED COLLECTION SERVICES INC
PO BOX 17737
NASHVILLE TN 37217

DEPT 220 4567890123456
PO BOX 4115
CONCORD CA 94524



RETURN SERVICE REQUESTED

<V05>



<DNA>
<LT_Addr1>
<LT_Addr2>
<LT_City> <LT_State> <LT_Zip>

Automated Collection Services, Inc.

2802 Opryland Drive
Nashville, TN 37214
(866) 376-7829

Hours of Operation

Mon - Thurs 8:00am - 5:00pm CST
Fri 8:00am - 3:00pm CST

CREDITOR: <V06>
ACCOUNT #: <V07>
AMOUNT DUE: <V08>
ACSI ACCT #: <V09>

Let Us Help You

The above listed creditor has placed the referenced account(s) with our office for collection. We are offering our assistance in resolving this obligation as our policy is to help you find a satisfactory solution.

ACSI would like to offer you a free financial education training course provided by Inceptia, a leading provider of financial awareness programs. We believe in helping individuals such as yourself who may be experiencing financial difficulties. To sign up, go to www.financialavenue.org and enter the access code **m49yw5**.

Please contact us at the Toll Free telephone number listed above or Email us at help@acsi.net

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

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 make a request to 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.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



CREDITOR: <V06>
ACCOUNT #: <V07>
AMOUNT DUE: <V08>
ACSI ACCT #: <V09>

EXP. DATE: _____ BILLING ADDRESS ZIP _____

SIGNATURE _____

<DNA>
<LT_Addr1>
<LT_Addr2>
<LT_City> <LT_State> <LT_Zip>



AUTOMATED COLLECTION SERVICES INC
PO BOX 17737
NASHVILLE TN 37217

DEPT 220 4567890123456
PO BOX 4115
CONCORD CA 94524



RETURN SERVICE REQUESTED

<V05>



<DNA>
<LT_Addr1>
<LT_Addr2>
<LT_City> <LT_State> <LT_Zip>

Automated Collection Services, Inc.

2802 Opryland Drive
Nashville, TN 37214
(866) 376-7829

Hours of Operation

Mon - Thurs 8:00am - 5:00pm CST
Fri 8:00am - 3:00pm CST

CREDITOR: <V06>
ACCOUNT #: <V07>
AMOUNT DUE: <V08>
ACSI ACCT #: <V09>

NOTIFICATION OF PENDING CREDIT BUREAU REPORTING

As required by law, you are hereby notified that a negative credit report reflecting on your record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

To avoid the account from being reported to the credit bureau, payment in full must be received within 15 days of this letter.

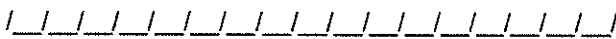
**DO NOT SEND CASH.
MAKE CHECK OR MONEY ORDER PAYABLE
TO THE ABOVE REFERENCED CREDITOR.**

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.

Our office processes payments electronically.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



EXP. DATE: _____ BILLING ADDRESS ZIP _____

SIGNATURE _____

CREDITOR: <V06>
ACCOUNT #: <V07>
AMOUNT DUE: <V08>
ACSI ACCT #: <V09>

<DNA>
<LT_Addr1>
<LT_Addr2>
<LT_City> <LT_State> <LT_Zip>

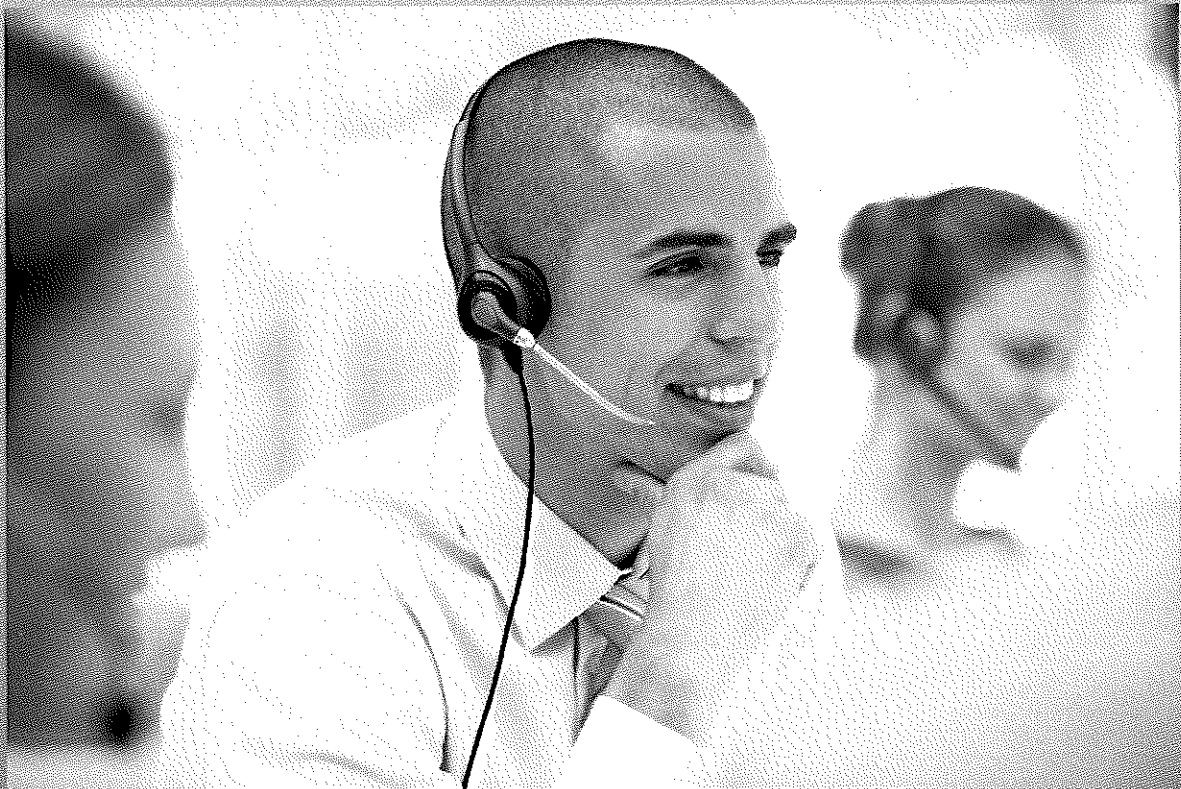


AUTOMATED COLLECTION SERVICES INC
PO BOX 17737
NASHVILLE TN 37217



ACSI
Get The Edge

Letter Backer – Required Language



Payment in Full - Because your credit agreement may require you to pay interest on the outstanding portion of your balance, as well as late charges and costs of recovery, which vary from day to day, as you agreed in your credit agreement, the amount required to pay your account in full on the day you send payment may be greater than the amounts that appear in our written communications. If an amount is stated on a letter and you pay that amount, an adjustment may be necessary after we receive your payment. In that event, we will notify you of any adjustment in your balance. We encourage you to call prior to making a payment intended to pay your account in full.

Email Communications – By emailing ACSI, you are requesting to receive email from ACSI on an ongoing basis. You understand email is not a secured method of communication. By emailing and/or providing your telephone number you are giving express consent to call and/or reply to your personal email. Your response also provides assurance that the email address is secure to your use. You may withdraw consent or opt out by emailing ACSI. You may need Adobe Acrobat Reader to access some of the electronic records that may be sent to you.

SEE THE FOLLOWING INFORMATION FOR YOUR STATE OF RESIDENCE – We are required under state law to notify consumers of the following rights. The following notices apply to persons who reside in those states. This list does not contain a complete list of the rights consumers have under state and federal law.

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. **For medical debts only** - Nonprofit credit counseling services may be available in the area.

Colorado Residents – FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE WWW.COAG.GOV/CAR. 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. Local Office: 7200 S. Alton Way, STE B180, Centennial, CO 80112, 720-508-1781.

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. **For medical debts only** - If you feel that your concerns have not been addressed, please contact our consumer help line at 877-483-5751 and allow us the opportunity to try and address your concerns. Or you have the option to address any concerns with the Minnesota Attorney General's Office, which can be reached at 651-296-3353 or 1-800-657-3787.

Nevada Residents –For medical debts only - If the consumer pays or agrees to pay the debt or any portion of the debt, the payment or agreement to pay may be construed as: (1) an acknowledgment of the debt by the consumer; and (2) a waiver by the consumer of any applicable statute of limitations set forth in NRS 11.190 that otherwise precludes the collection of the debt; and (3) if the consumer does not understand or has questions concerning his/her legal rights or obligations relating to the debt, the debtor should seek legal advice.

North Carolina Residents - North Carolina permit number: 4449 and 111775

Tennessee Residents - This collection agency is licensed by the Collection Service Board of the Department of Commerce and Insurance.

Utah Residents - As required by Utah law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

Wisconsin Residents- This collection agency is licensed by the Division of Banking in the Wisconsin Department of Financial Institutions, www.wdfi.org.

SEE THE FOLLOWING INFORMATION FOR RESIDENTS IN NEW YORK STATE

We are required under state law to notify consumers of the following rights. This list does not contain a complete list of the rights consumers have under state and federal law.

New York State Residents - 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.

That 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.

New York City Residents - New York City Department of Consumer Affairs License Numbers: 2011364-DCA, 2010680-DCA.

Automated Collection Services, Inc. Consumer Help Desk - For assistance you may contact – 877-483-5751
Eric Burgos

Payment in Full - Because your credit agreement may require you to pay interest on the outstanding portion of your balance, as well as late charges and costs of recovery, which vary from day to day, as you agreed in your credit agreement, the amount required to pay your account in full on the day you send payment may be greater than the amounts that appear in our written communications. If an amount is stated on a letter and you pay that amount, an adjustment may be necessary after we receive your payment. In that event, we will notify you of any adjustment in your balance. We encourage you to call prior to making a payment intended to pay your account in full.

Email Communications – By emailing ACSI, you are requesting to receive email from ACSI on an ongoing basis. You understand email is not a secured method of communication. By emailing and/or providing your telephone number you are giving express consent to call and/or reply to your personal email. Your response also provides assurance that the email address is secure to your use. You may withdraw consent or opt out by emailing ACSI. You may need Adobe Acrobat Reader to access some of the electronic records that may be sent to you.



ACSI
Get The Edge

Updated Collection Letters in 2018



AJAMCS01
 PO Box 1022
 Wixom MI 48393-1022
 ADDRESS SERVICE REQUESTED



Automated Collection Services, Inc.
 2802 Opryland Dr. Nashville, TN 37214
 Phone: 866-376-7829
Hours of Operation
 Mon-Thurs 8:00am-5:00pm CST
 Fri 8:00am-3:00pm CST

July 26, 2017


 Personal and Confidential
 Test Consumer
 226 Nolan St
 San Antonio TX 78202-2153

Creditor: Test Client
 Customer ID: 845000
 Amount Due: \$145.75

Let Us Help You

The above listed creditor has placed the referenced account(s) with our office for collection. We are offering our assistance in resolving this obligation as our policy is to help you find a satisfactory solution.

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 make a request to 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.

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.


 Call Us For Assistance
 866-376-7829

Online Payment Portal 24/7
 Weblink ID: 845000
 Weblink Password: 78202
<https://www.emergetechnology.net/#/ACSIHealthcare>


 Email Us At:
 HelpHC@acsi.net





Service Date:	Principal:	Fees:	Interest:	Amount Due:	Interest Rate:	ACSI Acct#:
2015-11-17	34.25	N/A	N/A	34.25	N/A	937681
2015-11-17	38.50	N/A	N/A	38.50	N/A	937682
2016-02-03	34.50	N/A	N/A	34.50	N/A	1143151
2016-02-03	38.50	N/A	N/A	38.50	N/A	1143152





Our office processes payments electronically.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

807AJAMCS01HCLS1V_00000002

Please detach and return with your payment

CIRCLE CARD USING FOR PAYMENT					
CARD NUMBER			AMOUNT		
CARD BILLING ADDRESS AND ZIP CODE					
SIGNATURE			EXP DATE		
TOTAL BALANCE: \$145.75		PLEASE PAY THIS AMOUNT: \$145.75			
CUSTOMER ID: 845000		AMOUNT PAID: \$			

-  Mail check or credit card with this section.
-  Email us at HelpHC@acsi.net
-  Call Automated Collection Services, Inc. Toll Free at 866-376-7829
-  Online Payment Portal Access 24/7
<https://www.emergetechnology.net/#/ACSIHealthcare>

Remember: Please include your Customer ID on your payment.

Automated Collection Services, Inc.
 PO Box 17737
 Nashville TN 37217



AJAMCS01
 PO Box 1022
 Wixom MI 48393-1022
 ADDRESS SERVICE REQUESTED



Automated Collection Services, Inc.
 2802 Opryland Dr. Nashville, TN 37214
 Phone: 866-376-7829
Hours of Operations
 Mon-Thurs 8:00am-5:00pm CST
 Fri 8:00am-3:00pm CST

07/25/2017



Personal and Confidential
 Test Consumer
 7575 Callaghan Rd Apt 720
 San Antonio TX 78229-2877

Creditor: **Test Client**
 Customer ID: 1178656
 Amount Due: \$232.00

WHY ARE WE SENDING YOU THIS LETTER?

We are attempting to help you resolve your delinquent account. We encourage you to call us at the telephone number above so we may review your options for paying this past due amount.

WHAT YOU SHOULD DO IF YOU CANNOT PAY IN FULL

Please call us at 866-376-7829 or email to HelpHC@ACSI.net and one of our representatives will work with you on a plan to pay off your account. ACSI would like to offer you a free financial education training course provided by Inceptia, a leading provider of financial awareness programs. We believe in helping individuals such as yourself who may be experiencing financial difficulties. To sign, up, go to www.financialavenue.org and enter the access code **m49yw5**. You can also visit our online portal at: <https://consumerhelpacsi.com> for more information and answers to common questions regarding your debt.

Please send a check or money order to the address below or visit our online payment portal with 24/7 access at:

<https://www.emergetechnology.net/#/ACSIHealthcare>
 Weblink ID: 1178656 and Weblink Password: 78229

ACSI, P.O. Box 17737, Nashville, TN 37217.
Please include your Customer ID on your payment.

Creditor:	ACSI Acct#:	Service Date:	Amount Due:
Test Client	1360528	2016-05-24	232.00

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.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION

97AJAMCS01HCL\$2_00000014

Please detach and return with your payment

CIRCLE CARD USING FOR PAYMENT			
CARD NUMBER		AMOUNT	
CARD BILLING ADDRESS AND ZIP CODE			
SIGNATURE		EXP DATE	
TOTAL BALANCE: \$232.00	PLEASE PAY THIS AMOUNT: \$232.00		
CUSTOMER ID: 1178656	AMOUNT PAID: \$		



Mail check or credit card with this section.



Email us at HelpHC@acsi.net



Call Automated Collection Services, Inc. Toll Free at 866-376-7829



Online Payment Portal Access 24/7
<https://www.emergetechnology.net/#/ACSIHealthcare>

Remember: Please include your Customer ID on your payment.

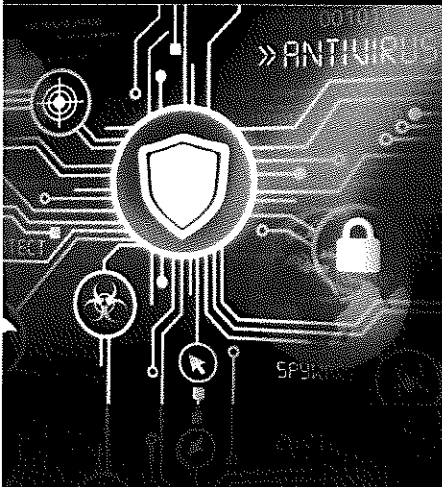
Automated Collection Services, Inc.
 PO Box 17737
 Nashville TN 37217



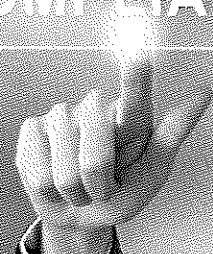


ACSI
Get The Edge

Information Security Program



COMPLIANCE



INFORMATION SECURITY PROGRAM

Collection agencies can no longer just work at collecting debt within a limited framework of regulatory compliance, they must also retool and demonstrate their compliance with the newest and most stringent security mandates imposed on the industry to date.

Data Security Overview

Nothing is more important than identifying business associates who are regulatory compliant and can prove their levels of data security through third-party assessment and certification to meet and/or exceed minimum regulatory legal standards:

- ❖ These critical data security and regulatory compliance elements should come first as a requirement for selecting compliant collection agencies and service providers.
- ❖ All other benefits offered by a business associate are overshadowed by the potential of compliance failure, data breach, and/or unauthorized disclosure of protected information, e.g., Personally Identifiable Information (PII) and/or Personal Health Information (PHI/ePHI).

Regardless of the services provided, entrusting business associates who have access to protected information is no longer a handshake agreement or simple contract language that expects adherence to all federal and state laws or regulations. Even the Consumer Finance Protection Bureau (CFPB) strongly recommends all entities that share or give access to protected information should validate the regulatory compliance of each service provider before this information is shared. This review should be performed by qualified and certified IT Professionals and/or third-party assessment firms as a significant part of the review is related to IT policies, procedures, penetration scans, firewalls etc. Mere claims and/or contract language is no longer sufficient to ensure the protection of sensitive data.

SECURITY HIGHLIGHTS

- ❖ *ACSI's objective is to achieve 100% regulatory and data security compliance throughout every aspect of our company's operations via a top-to-bottom commitment to compliance from our CEO on down to our front-line personnel who most frequently interact with consumers*
- ❖ *ACSI is in the top tier of collection agencies to conduct annual formal risk assessments and test and validate all security and regulatory compliance requirements (as strongly recommended by the Consumer Financial Protection Bureau)*
- ❖ *Our certification approach to security includes compliance with PCI DSS, GLBA, Red Flags Rule, FISMA (NIST), HIPAA/HITECH, Nevada NRS 603a, Massachusetts 201 CMR 17.00, and CFPB Readiness*
- ❖ *Security mechanisms for all physical, personnel, and external vendors are audited and validated*
- ❖ *Our Information Security Coordinator ensures ongoing, monthly compliance with all data security certification requirements.*

ACSI submits all of our systems, infrastructure, and communications to exhaustive, yearly compliance audits

Unfortunately, many collection agencies, their service providers, and their clients have not kept pace with all of the recent regulatory and data security changes that affect them and their business relationships. And, many collection agencies have continued to operate in their “business as usual mode”, unaware of the risk and potential regulatory and legal ramifications, including monetary penalties, increasing numbers of complaints and legal suits, and the potential impacts to their client’s resulting from CFPB, FCRA, TCPA, FDCPA, FTC and other regulatory rulings relating to data security noncompliance with PCA DSS, GLBA, Red Flag Rules, PII/PHI/ePHI, FISMA (NIST), HIPAA/HITECH, and so on.

In addition, the CFPB strongly recommends in depth assessments and certification of any entity that will receive protected information. This extends not only to ACSI and our clients, but to all collection agencies and their clients, and likewise to business associates who provide services to collection agencies that may have access to their protected information. It is no longer acceptable to merely ask a business associate, including collection agencies, if they are compliant. Each business associate, service provider, company, etc. must pass an assessment conducted by a qualified third-party that includes proving data security and compliance is in place and has been tested.

Protecting data, specifically PII, PHI, and/or ePHI, is critical to ACSI. We are in the top tier of collection agencies to conduct formal risk assessments and test and validate all security and regulatory compliance requirements, including:

- ❖ ACSI’s regulatory and data security compliance is verified via annual audits and certifications, including PCI DSS, GLBA, Red Flags Rule, FISMA (NIST), Nevada NRS 603a, Massachusetts 201 CMR 17.00, and CFPB Readiness.
- ❖ HITRUST Common Security Framework (CSF) certification for regulatory and security compliance. The CSF is an information security framework that provides organizations with the needed structure, detail, and clarity relating to information security that applies to all debt types but also includes HIPAA, HITECH, and Texas H.B. 300.
- ❖ ACSI is also one of the few companies in our industry to have a dedicated Information Security Coordinator responsible for ensuring ongoing, monthly compliance with all data security certification requirements. Through regular interim assessments of the various security domains and controls that were required during the full initial assessment and certification are revalidated, including enterprise-wide IT, administrative, and physical components.
- ❖ As an even further precaution, ACSI also engages independent auditors to perform and test our operations through an annual SSAE 16 SOC 1, Type 2 audit as part of our company’s information technology and overall quality assurance program. Most collection agencies choose to submit to SSAE Type 1 audits only which basically asks whether there are the controls in place necessary for the service(s) provided, while SSAE Type 2 is much more stringent and includes the testing of those controls that are agreed upon between the auditor and the organization as to what are essential controls for the service(s) provided.

All information security and privacy is performed and under the control of ACSI, specifically, our Vice President of Administration and IT Director and staff. ACSI maintains and updates all security and privacy policies, including our IT processes, on a regular basis. These include, amongst others, System Security Plan, Information Security Policy, Facility Security Policy, ACSI Network Detail Diagram, Network Administration Policy, Incident Response Plan, Contingency Plan, Disaster Recovery Plan, Business Impact Analysis and Software Development Document.

General Security Compliance Measures

ACSI utilizes a layered approach to enforce our policies with active directory user-, group-, and domain-level policies; firewall intrusion detection with Internet content filtering; restricted use of Internet and email; and multiple levels of anti-virus and malware protection along with routine software patch management. We use several logging and 24x7x365 monitoring tools that notify us of suspicious activities, track all user activity, and help us maintain tight control on change management so we can ensure the highest levels of data integrity, security, and accountability.

Only ACSI's IT Department and authorized personnel and City of Franklin authorized personnel will have access to your data. All personnel access to ACSI's client data is set based on a need-to-know basis, and access is continually monitored and updated. We do not house, store, or manage data at any other location. Peak 10, our disaster recovery data center, is technically our location since we only lease physical space from them and all ACSI data never leaves our control.

We do, however, conduct business with vendors that process some data for us, for example, our letter vendors. We send consumer contact information and minimal (non-PII) account data to them so they can create and send out letters on our behalf. ACSI's signed agreements with our vendors require them to protect all data and require them to be in full compliance with all of the laws and regulations in the same manner as ACSI and submit to third-party audits for data security compliance as well.

We have a Tyco Simplex Grinnell building and entrance alarm system. It is integrated with our card readers at each building entrance so only those who have authorization to be in the building after hours and allowed entry have the ability to disable the alarm.

We also have after hours proximity sensors throughout the building as well. The last manager to leave for the evening is tasked with setting the alarm. Any triggers of the alarm system immediately notify the alarm company, and they call the managers on their list until they can confirm whether or not the alarm is legitimate.

Additionally, the Trust Accounting Department uses a badge entry/door lock system and only authorized personnel are allowed in the Trust Accounting Department area using their security access badges.

Additional general and physical security measures include:

- ❖ We have intrusion detection and automatic IT Department alerts built into our Fortigate firewall to protect our networks and client data
- ❖ The telephone system, collection system servers, and other computer systems are behind a card reader (plus keypad) secured door. Only three people on the IT Team have access to these rooms
- ❖ All production and testing computer/server equipment is located in secured server rooms
- ❖ Client information is stored in a secure area with access restricted to authorized personnel only
- ❖ There is a separate level of card access required to the interior data center/secured areas
- ❖ Only the three IT Managers have physical access to ACSI's information systems data center and physical systems
- ❖ Confidential client and consumer information stored on paper is shredded onsite at ACSI's facility when it is no longer required by our clients
- ❖ No personnel outside of ACSI's authorized IT personnel have access to any of our information systems that contain client information
- ❖ There are only a select few ACSI employees that have remote access to the network. Authorized ACSI remote users access the network using Fortigate VPN
- ❖ The only site that holds our off-site backup equipment with client data is our DR site (Peak 10). All those who enter the Peak 10 facility must have a card key and enter a pin to gain access to the building, have a card key and fingerprint scan to enter the data center, and a key code to get into our cabinet that is manned 24/7/365 by video surveillance.
- ❖ The physical servers are in a secure data center with all necessary power, security and environmental controls in place. Client data is backed up using an AES-128 encryption algorithm and stored off-site in a secure location by a trusted off-site storage vendor (Iron Mountain). Backups are stored for 7 years and after that time, tapes are brought back to ACSI's main office for on-site destruction using a trusted third party for destruction of physical media (Shred-it).

Network and Collection System Access Security

Key components of ACSI's network and collection system access security include:

- ❖ All users must use a two-factor authentication to gain access to the collection system and network. The two-factor authentication key fob gives a six digit code to enter along with a password. Eight character passwords with a combination of capital letters, numbers, and special characters are required. Passwords expire every 90 days and passwords cannot be reused until 12 changes have been made.
- ❖ The login to the collection system uses Active Directory Authentication (ADA) which forces the adherence to the ADA's password rules. The collection system encrypts data at the field level; thus, our client's data on the collection system can be isolated based on user access lists.

- ❖ All systems are protected behind our Fortigate firewall. Systems requiring public access are secured within the Demilitarized Zone (DMZ) and only the necessary ports for application functionality are opened.
- ❖ Authentication to the collection system is handled through ADA. This allows us to manage user accounts from one location and with one set of authentication standards.
- ❖ ACSI's collection system is secured by data access profiles that are administered by ACSI IT Managers and applied to a business class (functional area, i.e. government, healthcare, higher education, financial/private sector debt, etc.) and/or by client. This allows us to secure our client's data at a high granularity level.
- ❖ ACSI's collection system is secured by data access profiles that are administered by ACSI IT Managers and applied to limit user activity based on user affiliation, role, and/or organizational unit (i.e., who can create records, delete records, create and save reports, run reports only, etc.).
- ❖ We make use of PowerShell scripting and our Manage Engine administration systems to confirm that users have been disabled when required. We also have group policies setup on Active Directory requiring all users to change their passwords every 90 days and that they must follow the password length and strength guidelines.
- ❖ Client data is kept on our highly secure collection system and encrypted within the database. The collection system has the ability to secure the City of Franklin's data, and restricting access to only the authorized users assigned to your portfolio. The data is secured by a data access profile and only authorized users are assigned to that data access profile.
- ❖ All data in transit is encrypted using HTTPS for all file transfers. Data at rest is not encrypted but is secured on the network by strict access permit lists, only allowing those users authorized access to perform their work duties. All data transmitted between ACSI and our clients are best secured using HTTPS (FIPS 140-2 compliant) protocols.
- ❖ HR creates a ticket to disable user access to the network due to employment separation. HR also emails the IT Department to expedite the process. The process of disabling the user in question happens immediately after receiving the request, along with deleting the user's VPN access (if they have it), email access, and collection system access.

Web Application Security

All ACSI web applications, including our Bloodhound ClientConnect & Collaboration Center (C2Center), are secured through several mechanisms:

- ❖ ACSI's Web applications use SSL and require a secure login and password combination that is generated by ACSI.
- ❖ ACSI's Web servers that run applications are in a Demilitarized Zone (DMZ) that is isolated from both production servers and sensitive data. A firewall is in place to log and monitor data traffic and control access at the port level.
- ❖ ACSI's servers are secured from physical access and only authorized IT employees are allowed access to them. Backups occur nightly, and data is replicated every four hours to an offsite, failover location.
- ❖ ACSI performs annual vulnerability scans of all outward facing internet connections and reconciles any alerts or recommendations from the results of these scans.

Identity Theft Security

We have adopted a sensitive Identity Theft Prevention Program that is in accordance with the FTC's Red Flags the, Fair and Accurate Credit Transaction (FACT) Act, and other regulatory requirements to protect employees, clients, consumers, contractors, and our company from damages related to loss or misuse of sensitive information. This program:

- ❖ Defines sensitive information
- ❖ Describes the physical security of data when it is printed on paper
- ❖ Describes the electronic security of data when stored and/or distributed

Putting this Identity Theft Prevention Program in place has enabled ACSI to better protect our clients and their consumers, reduce risk from identity theft/fraud, and minimize potential damage to ACSI and the City of Franklin from fraudulent accounts and activities:

- ❖ Identify Red Flags that signify potentially fraudulent activity within new or existing covered accounts
- ❖ Detect Red Flags when they occur in new or existing covered accounts
- ❖ Respond to Red Flags to determine if fraudulent activity has occurred and act if fraud has been attempted or committed
- ❖ Periodic program updates, including reviewing accounts that are covered and Red Flags that are part of the program

This policy and protection program apply to employees, contractors, consultants, temporaries, and other workers at ACSI, including all personnel affiliated with third parties.

Security Policies

ACSI has documented all of our security policies, including, but not limited to, acceptable use policies for our staff, including adherence to password complexity and rotation schemes, use of email and the Internet, and the handling of protected data. These policies are listed in **Collection Service Plan section** and are provided to all employees for review and require signature acceptance of their understanding.

Information Security Policy Content

Section Number	Title/Description
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CHAPTER 1, OBJECTIVE

To define Automated Collection Services' (ACSI) acceptable practices for information security

CHAPTER 2, POLICY DESCRIPTION

The Information Security Policy is a document that specifically identifies all the policies governing security at ACSI

CHAPTER 3, INTRODUCTION

This document describes ways to prevent and respond to a variety of threats to information and information systems including unauthorized access, disclosure, duplication, modification, appropriation, destruction, loss, misuse, and denial of use

- 3.1 **Policy Conflicts** - This policy must be communicated to all ACSI employees and all others who have access to or manage ACSI information
- 3.2 **Scope of Policy** This policy is applicable to ACSI employees, contractors, vendors, and where applicable, clients who have access to ACSI information and systems -
- 3.3 **Document Revision/Review** - This document must be reviewed on an annual basis, or whenever the environment changes, any required changes must be promptly incorporated
- 3.4 **Acknowledgement of Policy** - Upon hire and annually thereafter, employees will acknowledge that they have read and understand this Information Security Policy document
- 3.5 **Policy Non-Compliance, Questions, Modifications** - Failure to comply with this policy may result in disciplinary action up to and including termination

CHAPTER 4, ORGANIZATIONAL AND FUNCTIONAL RESPONSIBILITIES

- 4.1 **Security Administrators** - All ACSI IT employees are responsible for ensuring each system is secured
- 4.2 **Information Technology (IT)** - IT management has responsibility for the data processing infrastructure and computing networks, which support the information users
- 4.3 **All Employees** - It is the responsibility of all employees to protect sensitive information, including client/consumer information, passwords, and especially card holder data and personal information
- 4.4 **Categories of Responsibilities** - To coordinate a team effort, ACSI has established three categories, at least one of which applies to each individual
 - 4.4.1 **Information Owners** - Information owners are department managers, members of the top management team, or their delegates within ACSI who bear responsibility for the acquisition, development, and maintenance of production applications that process information
 - 4.4.2 **Information Custodians** - Information custodians include anyone in physical or logical possession of information
 - 4.4.3 **Information Users** - Users are broadly defined as any employee, contractor, service provider, or worker with access to internal information or information systems

Section Number	Title/Description
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CHAPTER 5, ASSET MANAGEMENT

- | | |
|-------|--|
| 5.1 | Information Classification and Handling - ACSI company information, and information that has been entrusted to ACSI, must be protected in a manner commensurate with its sensitivity and criticality |
| 5.2 | Information Classification Designations - ACSI has adopted an information classification system that categorizes information into four groupings |
| 5.3 | Data Backup, Retention, and Disposal - ACSI data stored on servers is backed up regularly on a predetermined schedule depending on the nature of the data and the storage location |
| 5.4 | Media Containing Sensitive Information - Sensitive data may be present in various forms within ACSI's environment. It could be located in servers, user machines and mobile devices in file folders, in data backup, or within email messages |
| 5.5 | User Desktops, Laptops, Mobile and Personal Storage Devices |
| 5.5.1 | Control and Care of Equipment - It is the policy of ACSI that all users abide by the following guidelines to ensure the proper functioning and longevity of workstations |
| 5.5.2 | Logging Off - Employees must log off their assigned workstations each time they leave the workplace or leave their work area for an extended amount of time |
| 5.5.3 | Antivirus - Virus-checking systems approved by the IT Department must be installed and active on all computers that run operating systems that may be susceptible to viruses. |
| 5.5.4 | Personal Storage Devices and Local Hard Drives - Defines ACSI's policy regarding the use of personal data storage devices and local hard drives by employees in the workplace |
| 5.5.5 | Mobile Device Security & Encryption - This policy applies to any mobile device issued by and/or for company's business which contains stored data owned by ACSI |

CHAPTER 6, ACCEPTABLE USE POLICY - This section outlines the policy concerning the access and use of ACSI's technology systems

- | | |
|-------|---|
| 6.1 | Privacy - All computer equipment, software, and network(s), as well as the information they contain, belongs to ACSI, thus, users should consequently have no expectation of privacy related to the use of any company systems |
| 6.2 | Consent to Monitoring - By using company technology systems employees expressly consent to have their usage or any communications made or received accessed, reviewed, recorded or otherwise monitored (with or without notice) as ACSI may deem necessary |
| 6.3 | Non-Business Use - Company technology systems are intended for business purposes only |
| 6.3.1 | Prohibited Non-Business Use of Computer Resources - These prohibitions pertain to all employees, agents, and contractors |
| 6.3.2 | Internet Use - The Internet use policy defines roles, responsibilities, and policies for ACSI employees, agents, and contractors using our company's communications equipment and facilities to access third-party electronic media and services, such as the Internet |

Section Number	Title/Description
6.3.3	Games - Because of the business implications and the potential for misunderstandings about employee conduct, no employee may play computer games on company property
6.4	Inappropriate System and Network Activities - Users must not connect unapproved devices to network outlets for any purpose unless approved by the IT Department
6.4.1	Prohibited Uses of Computer Resources - Users may not use any of ACSI's information systems and computer related assets to attempt any of the actions listed in this section
6.5	Copyright and Legal Issues - It is the policy of ACSI to comply with all copyright regulations pertaining to intellectual property rights
6.5.1	ACSI-owned Software - Installing software and attempt to make changes to computer hardware, software, and system configurations are prohibited without IT Department approval
6.5.2	Other Material - Users may not use any ACSI system to violate copyright laws or usage licensing agreements, or otherwise to use another person's property without that person's prior approval or proper citation, including downloading or exchanging pirated software or copying software to or from any company computer

CHAPTER 7, COMMUNICATION ACTIVITIES

7.1	Email – This section describes ACSI's policy for email usage
7.1.1	Email Access and Encryption - ACSI employees are provided an email account and appropriate access and each user is provided a unique ID for access; user IDs and passwords must not be shared with others
7.1.2	Email Use Policy - It is the policy of ACSI that electronic communication and computers are provided for the express purpose of facilitating the efficiency of conducting business and serving ACSI clients and their consumers
7.2	Printing, Copying, and Fax Transmission – Policy guidelines are addressed in this section
7.2.1	Destruction of Waste Copies - If a printer, copier, or fax machine jams or malfunctions when printing client/consumer confidential or ACSI confidential information, the involved users must not leave the machine until all copies of the sensitive information are removed
7.2.2	Faxing Precautions - Sensitive materials must not be faxed unless an authorized staff member is on-hand at the time of transmission to properly handle the materials at the receiving site, or a password-protected fax mailbox is used to restrict release only to an authorized recipient
7.2.3	Printer Precautions - When printing sensitive information, the user must be present at the printer at the time of printing to prevent the information from being revealed to unauthorized parties
7.2.4	Copy Machine Precautions - When copying sensitive information, the user must be present at the copier at the time of copying to prevent the information from being revealed to unauthorized parties
7.3	Telephones, Audio and Web Conferencing - Users must only use these systems for their intended purposes and in accordance with company policy.
7.3.1	Telephones and Voicemail - Abuse of telephone systems can result in loss of privileges and other disciplinary actions

Section Number	Title/Description
7.3.2	Telephone Call Recording - ACSI records all inbound and outbound telephone calls for the protection of our company, our clients, and employees and provides the ability to address consumer complaints
7.3.3	Audio and Web Conferencing - Users may be provided with the capability to set up (as a host) audio and web conferences, this sub-section address ACSI's policies for this capability

CHAPTER 8 AUTHENTICATION AND ACCESS CONTROL

8.1	User Authentication - All production information system user IDs must have a linked password or a stronger mechanism such as a dynamic password token or digital certificate, to ensure that only the authorized user is able to utilize the user ID
8.2	Unique User IDs - Each user is assigned a unique user ID and this user ID follows each individual as they move through the organization
8.3	Need to Know - Access rights are restricted to the least privileges necessary to perform an employee's job responsibilities
8.4	Access Approval Process - Assignment of access privileges is based on an individual's job classification and function
8.5	Special Access - All company data, other than "public", is treated as sensitive material to varying degrees, depending on the nature of said data and the need to authorized access
8.6	Passwords – This section address ACSI's password policies
8.6.1	Password Protection Policy - Upon receipt of an authenticated request to establish a user account on designated system, the IT Department or System Administrator will setup the account with the necessary specified privileges. This section addresses Active Directory, Bloodhound collection system, and Bloodhound collection systems for users access password policies
8.6.2	Verification of User Identity Before Password Reset - Upon receipt of a request to reset a user password, the IT Department representative must verify the user's identity before resetting a password
8.6.3	User Responsibilities - All users must adhere to this policy and the "Password Protection Policy" at all times
8.7	Wireless, Remote, and Other Internet Access – This section addresses ACSI's policies pertaining to these options
8.7.1	Remote Internet Access - Remote access, other than access to email through ACSI's webmail system is available to company employees who require this access, but management approval is required for this access
8.7.2	Public Wireless Access - Public wireless networks, also known as WiFi "hot spots", available at airports, hotels, and restaurants represent a considerable security risk to all who use them. General security measures which should be taken are included in this section
8.7.3	Modems (dialup access) - Telephone modems, while possibly in use by network administrators for "out of band" management or disaster recovery purposes, are not available for general use

Section Number	Title/Description
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CHAPTER 9 EXCLUSIONS/INCLUSIONS	
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CHAPTER 10 PROCESS OWNERS	
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CHAPTER 11 PROCEDURES IMPLEMENTING THIS POLICY	
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CHAPTER 12 RISK MANAGEMENT CONTROL	
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CHAPTER 13 DEFINITIONS	
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CHAPTER 14 DOCUMENT APPROVAL AND REVISION HISTORY	
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ACSI's Chief Information Officer is responsible for instituting and ensuring enforcement of all ACSI security policies. ACSI's Security Policy is communicated to all IT staff in real time via SharePoint. For non-IT staff, ongoing training and information alerts disseminate ACSI's Security Policy to all other employees. Contractors, vendors, and temporary staff are required to give signature acceptance of ACSI's Security Policy prior to commencing requested services.

Incident Response Policy

ACSI has never had any regulatory or legal actions taken against us for any security or privacy violations or security breaches or incidents. ACSI considers a security breach to be an event as defined by Techopedia:

A security breach is any incident that results in unauthorized access of data, applications, services, networks and/or devices by bypassing their underlying security mechanisms. A security breach occurs when an individual or an application illegitimately enters a private, confidential or unauthorized logical IT perimeter.

ACSI's Incident Response Policy describes the monitoring procedures and tools used for monitoring the integrity and availability of all products interacting with information resources, including procedures and tools used to, detect security incidents and to ensure timely remediation. The purpose of ACSI's Incident Response Policy is to provide general guidance to both technical and management staff to:

- ❖ Enable quick and efficient recovery from security incidents (24/7/365 response)
- ❖ Reporting incidents and breaches
- ❖ Respond in a systematic manner to incidents
- ❖ Carry out all necessary steps to correctly handle an incident
- ❖ Prevent or minimize disruption of critical computing services
- ❖ Minimize loss or theft of sensitive or mission critical information.

It is also a guide to sharing information with other locations — internally with each location, and externally with other information security and law enforcement organizations, as well as a guide for pursuing appropriate legal action if deemed necessary.

The policies described in this document are applicable to all locations within ACSI including but not limited to headquarters, and all satellite office locations from which ACSI may be operating. The guidance contained in this document is applicable to all ACSI employees and others who process, store, transmit, or have access to IT information and infrastructure computing resources within ACSI’s infrastructure. This guidance is applicable to all ACSI information and infrastructure computing resources at all levels of sensitivity.

A high level overview of the processes involved in the event of a breach is listed below. ACSI’s Incident Response Policy documents these processes in detail. Incident Response Policy Content Chart below contains a more detailed list of our incident response policy content.

- ❖ Identify the breach
- ❖ Stop all processes associated with the application or system
- ❖ Notify internal management of the issue and the client(s) affected
- ❖ Work through the process of resolving the issue
- ❖ Implement processes/procedures to prevent a reoccurrence
- ❖ Verify with management that the issue has been rectified and adequate controls have been put in place to prevent issue from reoccurring
- ❖ Notify client/clients that the issue has been resolved
- ❖ Assess any legal/regulatory processes that must be followed
- ❖ Provide a documented accounting of events and resolutions to management so they can communicate effectively with clients

Incident Response Policy Content Chart

Section Number	Title/Description
CHAPTER 1, INTRODUCTION	
1.1	Background - An incident response and reporting capability serves as a mechanism to receive and disseminate incident information, and also provides a consistent capability to respond to incidents as they occur
1.2	Purpose - This Plan identifies and describes the roles and responsibilities of the Incident Response Team
1.3	Scope and Applicability - The incident response procedures in this document are applicable to all department employees and contractors involved in ACSI collections operations
CHAPTER 2, INCIDENT RESPONSE PROCESS	
2.1	Incident Response - Incident response procedures must be performed and documented as described in the Information Security Policy during the Planning & Requirements Defini-

Section Number	Title/Description
	tion Phase of the Incident Response Plan and carried out during the Operations & Maintenance Phase of the system development life
2.1.1	Preparation - Preparation for security incidents is two-fold; first, a preparation strategy is required to develop a capability to handle all possible security incidents when they occur, and additionally, preparation also includes the ability to prevent incidents by appropriately securing key resources such as systems, networks, and applications
2.1.2	Detection and Analysis - Detection and analysis of security incidents consists of identifying an incident occurrence, classifying the incident, analyzing the incident to determine the best mitigation strategy, and notifying the effected department of the appropriate mitigation response
2.1.3	Containment, Eradication, and Recovery - The containment, eradication and recovery step in the incident response lifecycle is where a majority of actual incident response takes place
2.1.4	Post Incident Activity - Following an incident, a report on the steps taken and lessons learned must be documented for future reference

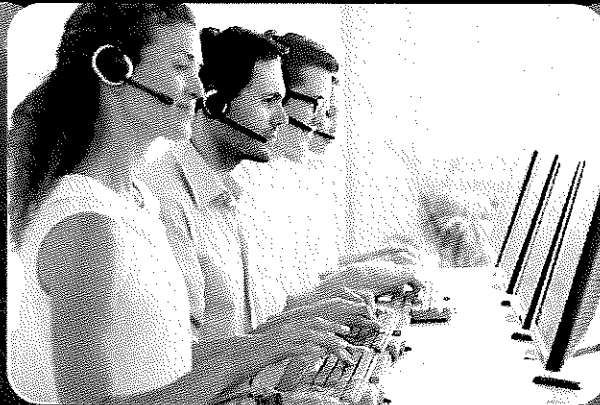
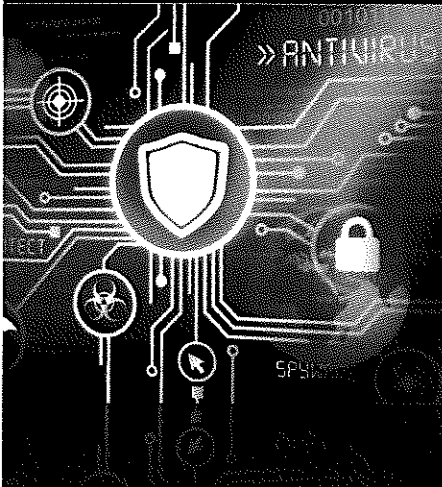
In addition, ACSI's Information Security Team has the responsibility to report incident information to senior management within each location immediately upon detection. The system and network audit logs provide sufficient information to facilitate deciding whether unauthorized activity has occurred. In the event of a serious breach of security or evidence of criminal activity, the ACSI Information Security Manager will notify management at the location that is affected by the event. ACSI senior management is responsible for notifying ACSI's clients of an incident or breach within 24 hours of an event.

Depending on the type of incident, the Information Security Team will file a report of the incident to further staff awareness and recommend any policy and/or procedural changes. Without endangering the Information Security Team security mechanisms, the report will be distributed appropriately.

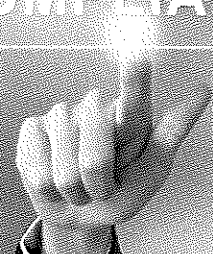


ACSI
Get The Edge

Continuity & Disaster Recovery



COMPLIANCE



CONTINUITY & DISASTER RECOVERY

ACSI provides our clients with consistent, reliable, and continuous services and can respond to an incident and resume operations quickly should any event occur that disrupts operations.

Mission Critical Recovery

To sustain the level of operations necessary to maintain all mission critical functions during any scale of disruption or disaster, we have engaged two key partners who will enable ACSI to restore full business operations within 48 hours of a major disaster:

ACSI maintains a fail-over site at Peak 10 which hosts a replication of ACSI's most critical servers to provide for business continuity in the event of a facility disruption. Complete replication takes place every 4 hours throughout the day Monday through Saturday. Peak 10, which is located in Franklin, TN, provides continuous offsite data center operations. Peak 10 is a critical data and applications failover security solution provider, to supply offsite datacenter rack space for all our failover production servers. Additionally, should ACSI's

Tennessee data center become inoperable due to a disaster, Peak 10 will serve as our data center and all other operational facilities will connect to the Peak 10 DR data center via VPN tunnels. Data traffic can be quickly switched over to allow full operations to be back up and running within an hour.

At the same time, *Agility Recovery, our mobile site solutions provider*, will establish a physical and communications infrastructure at the downed ACSI collection facility - complete with phones, computer systems, etc. -to enable ACSI to resume collection operations at that ACSI facility. This on-site mobile operation is typically "go live" within 24 to 48 hours depending on the extent of the disruption. Resumption of physical collection operations at the downed facility will begin immediately following a declared disaster and continue until full operations are restored to normal. The nature and severity of the disaster will determine how quickly a downed ACSI facility can be restored to normal collection operations.

CONTINUITY HIGHLIGHTS

- ◆ Coverage of key areas of business continuity to ensure safety and security of staff as well as clients' and consumers' account information
- ◆ Plan is reviewed and updated every six months and tested annually
- ◆ Hourly replication of our complete production servers and data applications
- ◆ Backup and secure storage of data at on-site and off-site locations, including timing and frequency, encryption, and access
- ◆ Agility Recovery, an on-site mobile operation, is typically "go live" within 24 to 48 hours of a major disaster
- ◆ Peak 10, a critical data and applications failover security solution provider, supplies offsite data center rack space for all our failover production servers

ACSI's focus on business continuance anticipates and accounts for any event that may occur from power interruption to facility loss.

Business Continuity and Disaster Recovery (BC/DR) Policy

ACSI also performs internal, on-site Business Continuity (BC) and Disaster Recovery (DR) activities to prevent and respond to a variety of threats to information and information systems, including system failures, data loss, data corruption, data breach, and natural or man-made disasters. Our BC and DR Policy details the internal steps to be taken to ensure ongoing operations should an impacting event occur. The contents of our BC and DR policy procedures are listed **below**. There are six types of major failures and/or disasters that ACSI is concerned about preparing for:

- ❖ Data loss from corruption, viruses, breaches, and human error
- ❖ Localized hardware failures within the production system site
- ❖ Telecom connection failures to the production environment
- ❖ Utility failure at production system sites
- ❖ Natural disaster or explosion rendering our production system unusable
- ❖ Natural disaster or explosion rendering our main company facility unusable for business services

Business Continuity and Disaster Recovery Policy Content

Sec. No.	Business Continuity and Disaster Recovery Policy Title/Description
CHAPTER 1, INTRODUCTION	
1.1	Authorities - The methodology used to develop the Business Continuity and Disaster Recovery Policy (BC/DR) and the approach specified in it is compliant with National Institute of Standards and Technology (NIST) Special Publication (SP) 800-34, Contingency Planning Guide for Information Technology Systems
1.2	Purpose - This document contains ACS's Collection Platform's BC/DR to be used along with related documents to respond to an incident that renders ACSI's Collection Platform partially or completely inoperable
1.3	Scope - This BC/DR addresses a disaster that mandates the relocation of ACSI's Collection Platform to our Disaster Recovery Facility
1.4	Assumptions - This ACSI Collection Platform BC/DR Policy is based on the assumptions listed in this section of the BC/DR
1.5	Disaster Recovery Policy Phases - BC/DR execution will occur in three phases: Notification/Activation, Recovery, and Restoration. Table 1 delineates the overarching objectives of each Disaster Recovery Policy phase
1.6	Disaster Recovery Policy (DRP) Objectives - The BC/DR seeks to document the recovery strategy for the ACSI Collection Platform infrastructure and provide a road map of predetermined actions in order to accomplish the DRP objectives
CHAPTER 2, CONCEPT OF OPERATIONS – SYSTEM DESCRIPTION	
2.1	Bloodhound Collection Systems – There is one key system that makes up the ACSI Collection Platform, Bloodhound
2.2	Dependencies and Interconnecting Systems – Provides a description of the system's dependencies and

Sec. No.	Business Continuity and Disaster Recovery Policy Title/Description
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list its interconnecting systems

- | | |
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| 2.3 | System Users - The system's users are made up of primarily two categories, Recovery Agents and Team-Leads/Managers |
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CHAPTER 3, DISASTER RECOVERY PERSONNEL

Well-planned staffing and a comprehensive group of teams, led by a Disaster Recovery Policy Coordinator (DRPC), function together to ensure the resumption of system operations during an emergency

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|------|---|
| 3.1 | Line of Succession – This Disaster Recovery Policy sets forth an order of succession to ensure there is someone with decision-making authority for the ACSI Collection Platform's Disaster Recovery Policy available at all times |
| 3.2 | Roles and Responsibilities – A listing of personnel and graphic are included in this section |
| 3.3 | Disaster Recovery Policy Coordinator (DRPC) – The DRPC is the Central Operations Manager and liaison to ACSI's DRP's Point of Contact (POC). The DRPC monitors the development of the DRP, conducting training and awareness, and the performance of testing |
| 3.4 | Disaster Recovery Policy Management Team – The Disaster Recovery Policy Management Team (DRPMT) is responsible for disaster team coordination, management oversight, progress, and incident tracking |
| 3.5 | Emergency Response Team – The Emergency Response Team (ERT) is the first ACSI Collection Platform's responder to an incident |
| 3.6 | Infrastructure Team – The Infrastructure Team assesses the functional condition of physical facilities, including power, light, heat, ventilation, air conditioning, and water |
| 3.7 | GSS Network Installation and Operations Team – In the event of a loss or outage, the GSS Network Installation & Operations Team shall restore voice, data, and video communications links, regardless of location |
| 3.8 | Server Administration Team - The Server Administration Team tests and configures servers that run general file system applications and collection operations |
| 3.9 | Data Backup Restoration Team - The Data Backup Restoration Team retrieves backup copies of operating systems, applications systems, and applications data and ensures ACSI's operation data is available for use as quickly as possible |
| 3.10 | Desktop Installation and Support Team - The Desktop Installation & Support Team shall install and configure workstations (e.g., Intel PCs, UNIX workstations) for critical ACSI Collection Platform personnel |
| 3.11 | Procurement Team - The Procurement Team consists of persons with federal government purchasing authority and knowledgeable of ACSI's information resources and supplies inventory during normal and emergency operations |

CHAPTER 4, BC/DR POLICY EXECUTION

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| 4.1 | Notification/Activation Phase – This policy shall be activated when a disaster renders one or more of ACSI's IT systems partially or completely inoperable and requires a response beyond the scope of daily operating procedures |
| 4.1.1 | Activation Authority – Only designated personnel have the authority to activate the ACSI BC/DR. This |

Sec. No.	Business Continuity and Disaster Recovery Policy Title/Description
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authority includes the ability to obligate funds to cover expenses from a disaster

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| 4.1.2 | Activation Scenarios – A listing of scenarios that shall warrant activation of the ACSI's Disaster Recovery Policy |
| 4.1.3 | Disaster Recovery Policy Organization Notification, & Activation Procedures – Contains a listing of notification procedures shall be used in an emergency |
| 4.1.4 | Internal Incident Notification – Upon notification, the DRT shall conduct an initial incident and damage assessment and issue advisory status reports to the IT Management Director, client management, and other client agencies and departments as required and appropriate |
| 4.1.5 | Public Information Release – All incident-related information (printed or spoken), concerning ACSI shall be coordinated and issued through the ACSI CEO and President |
| 4.1.6 | Notification/Activation Phase Teams & Tasks – Identifies the tasks and coordination required by the DRPMT and the ERT during the Notification/Activation Phase |
| 4.2 | Recovery Phase |
| 4.2.1 | Recovery Phase Goals & Actions - During the Recovery Phase, the listed goals and actions shall apply |
| 4.2.2 | Recovery Phase Teams & Tasks - Identifies the tasks and coordination required by the Disaster Recovery Teams during the Recovery Phase |
| 4.3 | Reconstitution Phase: Termination of Disaster Recovery Plan |
| 4.3.1 | Reconstitution Goals & Actions of the Disaster Recovery Policy - During the Reconstitution Phase, the listed goals and actions shall apply |
| 4.3.2 | Reconstitution Teams & Tasks - Identify the tasks and coordination required by the Disaster Recovery Teams during the Reconstitution Phase |

APPENDICES

- APPENDIX A, EXISTING FACILITY INFORMATION
- APPENDIX B, DISASTER RECOVERY FACILITY INFORMATION
- APPENDIX C, EMERGENCY CONTACT INFORMATION
- APPENDIX D, DISASTER RECOVERY PERSONNEL CONTACT INFORMATION
- APPENDIX E, DISASTER RECOVERY TEAM & ROLE MATRIX
- APPENDIX F, INCIDENT DOCUMENTATION
- APPENDIX G, ACTION TEAM CHECKLIST
- APPENDIX H, RELATED DOCUMENTATION
- APPENDIX I, SYSTEM BACKUP & RESTORATION
- APPENDIX J, RELEVANT REGULATORY REQUIREMENTS & GUIDANCE
- APPENDIX K, DISASTER RECOVERY POLICY TRAINING & TESTING
- APPENDIX L, MODIFICATIONS TO THE DISASTER RECOVERY POLICY
- APPENDIX M, EXTERNAL SUPPORT AGREEMENTS

Sec. No.	Business Continuity and Disaster Recovery Policy Title/Description
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APPENDIX N, MEMORANDUM(S) OF UNDERSTANDING/AGREEMENT

APPENDIX O, ACRONYMS & ABBREVIATIONS

Descriptions of Key BC/DR Policy Components

Peak 10

The Peak 10 site hosts replicated high priority production systems in a VMware cluster to ensure business continuity in the event of a disaster. Replication takes place in 4 hour increments to ensure minimum data loss in the event of a failure at ACS's main production facility and data center; data traffic can be quickly switched over to allow full operations to be back up and running within an hour.

In addition to our onsite back up, we maintain a full replication of our production servers and data applications which is replicated hourly. Peak 10 features:

- ❖ General Facility
 - ◆ Subfloor Cable Management and Power Distribution
 - ◆ 24" Raised Floor
 - ◆ Conditioned AC Power
 - ◆ Customized Cage, Private Suite, and Cabinet Space Available
 - ◆ 24/7/365 ACSI Access
 - ◆ 24/7/365 Network Operations Center
- ❖ Environmental Controls/Redundancy
 - ◆ Redundant Backup Power via Multiple UPSs and Generators
 - ◆ Redundant Network Infrastructure
 - ◆ 3 MW Generating Capacity
 - ◆ Controlled Temperature and Humidity via HVAC Units
 - ◆ Dual Action Dry Pipe and FE25 Gas Fire Suppression Systems.
 - ◆ Geographic Diversity/Redundancy via Other Peak 10 Data Centers
- ❖ Security
 - ◆ Biometric Fingerprint Readers
 - ◆ Card/PIN Access
 - ◆ Combination Lock Cabinets
 - ◆ 24/7/365 Monitored Video Surveillance

- ❖ Internet/ Access Options
 - ◆ Diverse Fiber Entry Points -- OC-12 up to OC-192
 - ◆ Internet/Network Access Options - DS-1, DS-3, OC-X or GigE Connectivity
 - ◆ Carrier Access to: ATM, Frame Relay, ISDN (BRI, PRI)
 - ◆ Redundant Internet with Multiple Tier 1 Providers
 - ◆ Multi Carrier Loop Access via Level 3, XO, tw telecom, Comcast and AT&T
 - ◆ Metro Ethernet at 10 Mbps, 100 Mbps to 1 Gbps Connectivity
- ❖ Disaster Recovery
 - ◆ Multiple Equipment Procurement Options
 - ◆ Hot/Warm/Cold Site Recovery Solutions
 - ◆ Dedicated Work Area Recovery for Clients
 - ◆ Direct Connections to Client Networks
 - ◆ Mobile Recovery Solutions

Agility Recovery

ACSI has retained Agility Recovery, a leader in business continuity solutions, to ensure the four key elements of disaster recovery, power, technology, space, and connectivity will be provided in the event of an incident. Agility Recovery will bring in portable facilities - complete with phones, computer systems, etc to ACSI's facility in Nashville, TN. This on-site mobile operation features:

- ❖ Power
 - ◆ Portable diesel generator for powering ACSI's existing office
 - ◆ UPS backup to diesel generator power
 - ◆ Fuel delivery, generator maintenance, and electrician assistance can be provided
- ❖ Space
 - ◆ Alternative office space for up to 48 seats, with additional options including:
 - ◆ Move-in ready operating space
 - ◆ Mobile office space
 - ◆ Computer Systems
 - ◆ Total of 48 additional pieces of equipment:
 - ◆ Intel based PCs (Dell, IBM, HP)
 - ◆ Up to 5 Intel based servers (Dell, IBM, HP)
 - ◆ Printers
 - ◆ Fax machines
 - ◆ Multi-function devices

❖ Communications

- ◆ Internet Access
- ◆ Mobile satellite system
- ◆ Verizon 4G LTE wireless router
- ◆ Clear 4G WiMax wireless router

❖ Voicemail

- ◆ Redirect ACSI's main phone number(s) to the number provided by Agility Recovery.
- ◆ Inbound calls will be routed to a customized voice mailbox and can be retrieved remotely and/or sent via e-mail as a .WAV digital file.

❖ Alternative Phone System

- ◆ Redirect ACSI's main phone number(s) to the number(s) provided by Agility Recovery.
- ◆ Inbound calls will be answered by ACSI employees in the Agility Recovery provided space.
- ◆ Options for phone system include: voicemail, call transfer, 3-way calling, auto-attendant and/or Automatic Call Distribution.

Backups

ACSI's production servers are hosted on a VMware vSphere 5 cluster spread across separate physical servers. This allows for servers to be quickly migrated or restored to another physical virtual host should one have a critical hardware failure. All VM hard drives are configured for RAID5 or RAID10 to provide redundancy for the data stores. ACSI utilizes an EMC SAN with redundant paths to the servers and a hot spare hard drive to provide additional redundancy/failover for critical production systems.

ACSI maintains a full replication of our production servers (including data) and applications which is replicated hourly. Peak 10, our failover DR site, site hosts replicated high priority production systems in a VMware cluster to ensure business continuity in the event of a disaster. Replication takes place in 4 hour increments to ensure minimum data loss in the event of a failure at ACSI's main production facility and data center; data traffic can be quickly switched over to allow full operations to be back up and running within an hour.

ACSI utilizes Veeam Backup & Replication software to back up images of production virtual servers and for replication to the DR site. Upon completion of the backup, an email is automatically sent to the CIO along with the status of the completed backup. These emails are reviewed regularly to ensure the integrity of the data. The backups are written to disk on the ACSI-backup server and moved to an LTO tape utilizing Nova Backup for historical backup retention. Backup tapes are tested after they are written by restoring a VM image file to disk to ensure the data was successfully written and retrieved from the tape.

Historical data backup tapes are maintained securely offsite at an Iron Mountain facility. Although back-up of ACSI's most critical application, the Bloodhound collection system, is replicated to our Peak 10 DR facility and will be available for fail-over as the primary mode of recovery in the event of a major failure

or disaster, image backup restoration is currently the primary method to recover non-priority systems from those events. Recent image backups are stored on disks at the production facility and Iron Mountain. Backup logs are located on the ACSI-DATA server. ACSI's contract service level agreement with the offsite storage vendor covers security responsibilities and liabilities. Backups are encrypted using an AES-128 encryption method. The encryption is software based, not token based. Backup tapes are kept for seven years and after that time the tapes come back to ACSI and are destroyed using Shred-it.

Client data is erased from ACSI's systems as prescribed by each client's retention schedule or following the conclusion of a project or termination of a contract to render client records unrecoverable and prevent accidental and unauthorized access to client records. Where available, an automated system to remove data no longer required will be used. Where such systems are not available, ACSI conducts periodic review of records, files, and documents to ensure that sensitive information, including personal information is not retained beyond a client-specified retention date.

UPS and Generator

ACSI also has a robust uninterruptible power supply (UPS) system to ensure ongoing business functions in the event of power loss. The UPS system is attached to the ACSI network infrastructure which can be administered remotely if needed. Additional power is available via a diesel generator within 8 seconds of a power failure and full power restoration by Agility Recovery for long-term loss.

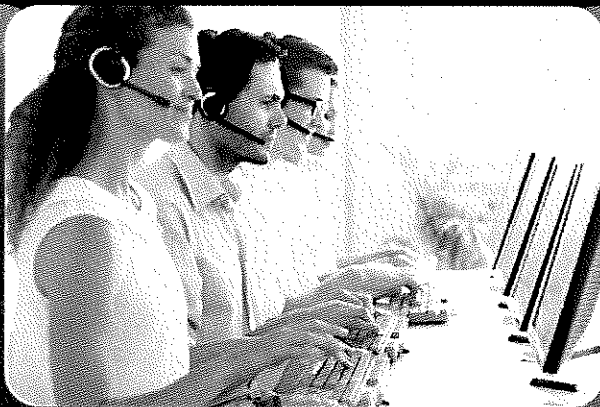
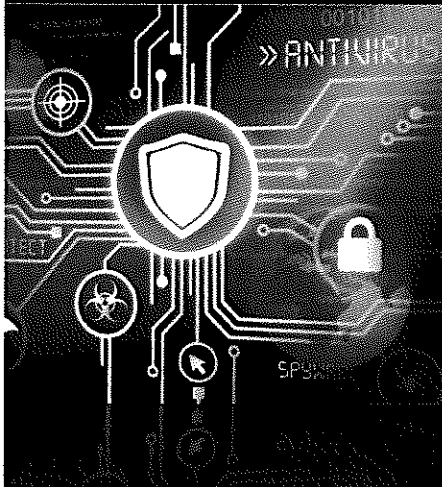
Testing

ACSI's CIO has the responsibility of verifying that the DR & BC Policy and physical sites are tested annually. That means following up on operations and IT to make sure the various components of the policy are being adhered to. The testing includes simulation of the conditions that would be experienced during an event that causes disruption to the company's operations. Events such as power failures, telecom failures, total failure of the production data facilities with fail-over to the DR facility, localized hardware failures in the production facility as well as the ability to execute vendor relationships to resume business operations are tested and reviewed as well. Offsite storage facilities are visually site inspected for proper security of contents as well as inventoried to validate records on an annual basis.



ACSI
Get The Edge

Compliance & Quality Assurance



REGULATORY COMPLIANCE & QUALITY ASSURANCE

ACSI's commitment to and investment in regulatory compliance is largely unmatched by our peers in the debt collection industry as demonstrated by our expertise, staffing, and practices.

Compliance and Quality Assurance Program Overview

As a third-party debt collection company, ACSI is committed to preserving our clients' and our own reputations and integrity through compliance with all state and federal laws and regulations, the highest standards of ethical conduct, and a professional and respectful approach to treating consumers: all of which work together toward protecting our clients and their consumers.

To continuously assess and address compliance with all applicable state and federal laws, ACSI has developed and maintains a Compliance Management System (CMS) which establishes an appropriate strategic framework that defines the responsibilities of all employees and robust practices required to meet all obligations, including but not limited to:

- ❖ Regulatory compliance with the FDCPA, UDAAP, FCRA, TCPA, and SCRA
- ❖ Security compliance with HIPAA, HITECH, PII/PHI/ePHI, FISMA (NIST), PCI DSS, GLBA, and Red Flags Rule

The ACSI CMS accomplishes its mandate and responsibilities through the following key elements:

- ❖ Effective oversight by the Board of Directors and management
- ❖ Written standards of conduct, policies, and procedures

COMPLIANCE HIGHLIGHTS

- ❖ *ACSI's Compliance Management System (CMS) establishes an appropriate strategic framework that defines the responsibilities of all employees and the robust practices required to meet all compliance obligations*
- ❖ *Annual compliance program verifications and audits, including federal and state regulatory mandates, information security and HITRUST Common Security Framework certifications, and SSAE-16 SOC 1, Type 2 requirements*
- ❖ *Vice President of Administration & Compliance responsible for maintaining and ensuring ACSI's compliance status*
- ❖ *Corporate Compliance Team responsible for managing and performing compliance activities*
- ❖ *In-house General Counsel who provides expert legal reviews and approvals of collection letters and call models*
- ❖ *Total call recording and real-time voice analytics technology*
- ❖ *Annual Recovery Agent compliance certification*
- ❖ *Consumer Helpline separate from collection operations*

ACSI places an exceptionally high emphasis on regulatory compliance that is unmatched by most of our peers for meeting compliance challenges voluntarily instead of waiting for them to be enforced.

- ❖ Effective education and training
- ❖ Auditing and evaluation techniques to monitor compliance and corrective actions
- ❖ Establishment of reporting processes and procedures for complaints
- ❖ Appropriate disciplinary mechanism
- ❖ Investigation and remediation of systemic problems (compliance audits)
- ❖ Dispute resolution

ACSI's objective is to achieve 100% compliance and data security throughout every aspect of our company's operations via a top-to-bottom commitment to compliance from our CEO on down to our front-line personnel who most frequently interact with consumers. To reach and maintain this goal, we have invested heavily in acquiring highly qualified compliance personnel and developing the internal processes and procedures that place compliance and security at the forefront of every ACSI employee's daily work requirements. Equally important, we have implemented the systems and controls necessary to ensure complete compliance and data security through internal and external audits. Figure below summarizes these safeguards which are described in greater detail throughout this section.

Regulatory Compliance and Quality Assurance Safeguards

Regulatory Safeguard	Regulatory Compliance in Place to Support the City of Franklin
Vice President of Administration & Compliance	Has over 16 years of experience in a debt collections and regulatory compliance environment, including 9 years' experience working with ACSI, and has primary responsibility for developing ACSI's compliance best practices and auditing all of ACSI's collection activities for compliance
In-house General Counsel with Debt Collection Expertise	Has over 15 years of experience in the collections industry, including experience working in both first-party and third-party debt collections, and has primary responsibility for monitoring all of ACSI's activities on a company-wide basis for legal compliance and best practices
Corporate Compliance Team	Has full responsibility for: <ul style="list-style-type: none"> • Total regulatory compliance • Disputes • Complaint prevention and remediation • Client contract compliance and quality assurance • Corrective action strategies • Consumer assistance via a Consumer Helpline that is separate from our collection operations
Quality Assurance Personnel	Manage ACSI's internal audit program and work as the firewall between ACSI's operations and potential non-compliance actions; audit staff also audits for compliance with client contract and service requirements as well as ACSI's internal work standards

Regulatory Safeguard

Regulatory Compliance in Place to Support the City of Franklin

Quality Assurance and Compliance Tracking Software

An excellent method to ensure we are operating at the highest level for our clients and that the controls and reporting mechanisms are also in place for all business processes including data security processes, IT security controls and client satisfaction measures

Information Security Coordinator

Ensures ongoing, monthly compliance with all data security certification requirements

Through regular interim assessments, the various security domains and controls that were required during the full initial assessment and certification -- including enterprise-wide IT, administrative, and physical components -- are re-validated

High Data Security Environment

ACSI is in the **top % of collection agencies** to have established the requisite regulatory compliant collection operations and a highly secure information systems environment that adheres to **all** compliance and regulatory requirements that apply to our organization

ACSI's regulatory and data security compliance is verified via annual audits, including HIPAA, HITECH, PII/PHI/ePHI, FISMA (NIST), PCA DSS, GLBA, Red Flags Rule, and so on

CFPB Collection Agency Audit Guidelines

ACSI's compliance objectives are based on industry standard practices, namely the CFPB's Collection Agency Audit Guidelines as well as ISO 9001:2015 (formerly ISO 9001: 2008); however, our methodology and practices exceed these industry standards through the incorporation of ISO 27002 Information Security Standard, regulatory body recommended best practices (such as CFPB Readiness Exercises), and specific industry associations, including the ACS International, the Society of Corporate Compliance and Ethics (SCCE), and insideARM

Collection Letters and Call Models

Reviewed and approved by ACSI's General Counsel and include all compliance disclosures such as the mini-Miranda, debt validation and dispute process, and our call recording statement and can be customized to meet the City of Franklin's specific needs

Bilingual Consumer Helpline

An alternative communications channel through which ACSI provides multiple services, including responses to consumer questions, complaint mitigation, dispute/issue resolution assistance, and forwarding of consumer calls to the appropriate department

Voice Analytics Technology

Enables ACSI to flag words that could potentially compromise regulatory compliance and enable managers to intervene in real time

Next-generation Telephony

An inbound and outbound call recording system that records and archives all calls (in real time) for manager, auditor, complaint investigations, and client reviews

ACSI's Proprietary Skiptracing Tool, Scout

Documents every information search performed and prevents the Recovery Agents from duplicating information searches/requests and making duplicate phone calls, virtually eliminating wrong-party repeat contacts

Comprehensive Training Program

Designed to keep ACSI employees current and compliant with all laws and regulations, company protocols and best practices, and client work standard requirements

Daily Compliance Testing

Compliance questions are delivered to employees immediately following their log-in to our collection system to test their knowledge of assigned laws and policies; our system identifies weaknesses and subsequently tests on those weaknesses to target individual and/or group learning on those topic areas

Regulatory Safeguard

Regulatory Compliance in Place to Support the City of Franklin

Daily Auditing and Reviews

All Recovery Agent calls are randomly audited against a compliance call monitoring/evaluation checklist, scores against this checklist are directly tied to their monthly bonus, and scores below the compliance threshold result in an automatic withdrawal from their total bonus

Annual Compliance Certification

Every employee is tested annually and/or as updates warrant on the FDCPA and **all** other pertinent data security and regulatory requirements; employees must pass administered tests with high accuracy

CFPB Audit Readiness Exercises

ACSI continually reviews and updates our policies and procedures to stay ready for a CFPB audit. ACSI's Corporate Compliance Team and Legal Group use the same checklist that the CFPB has published to conduct our own self-audits

External Audits

Conducted by third-party auditors to independently assess and report on ACSI's information and physical security systems, operations, and regulatory compliance mechanisms

Client Audits

ACSI supports both on-site and remote auditing by our clients, including listening to recorded calls. We also take extra, helpful measures to assist and accommodate them during their audits. If a client is performing an on-site audit, we provide workspace areas and access to personnel, records, and any other information needed. If a client is performing a remote audit, ACSI assembles and submits all required audit materials as prescribed or needed by a particular client.

Stringent Internal Audits

Compliance with federal and state regulatory mandates is of the utmost importance not only to ACSI but also to our clients, their consumers, and the regulatory bodies that monitor the collection industry. ACSI has instituted an internal audit program as the firewall between ACSI's operations and potential non-compliance actions. Our audit staff also audits for compliance with client contract and service requirements and ACSI's internal work standards.

Compliance and Quality Assurance Personnel

Legal Counsel

ACSI's General Counsel has primary responsibility for monitoring all of ACSI's activities on a company-wide basis for legal compliance and best practices. He provides senior management with effective advice on laws and regulations which are relevant to the various business lines pursued by ACSI, company business strategies and their implementation, managing the legal functions of ACSI's various departments, provides compliance support to all departments, defends the company in litigation matters, and obtains and oversees the work of outside counsel. The General Counsel is directly involved in complex business transactions and negotiating critical contracts as well.

Additional job responsibilities include:

- ❖ Participate in the definition and development of corporate policies, procedures, and compliance programs
- ❖ Provide counsel and guidance on legal matters and legal implications as related to company operations
- ❖ Evaluate the merits of litigation accounts filed against the company, work with the appropriate executive(s) to define a strategic defense, and recommend settlements of disputes where warranted
- ❖ Provide advice and direction ensuring that the company conducts its business operations in compliance with all applicable state and federal collections laws, including, but not limited to CFPB, HIPAA, FDCPA, and FTC laws and regulations
- ❖ Structures and manages the company's internal legal functions and staffing
- ❖ Oversees the selection, retention, management, and evaluation of all outside counsel including debt litigation attorney's
- ❖ Monitors and imparts trends and changes in laws and regulations pertaining to the collections industry and the business lines of ACSI

Vice President of Administration & Compliance

ACSI's Vice President of Administration & Compliance is responsible for monitoring ACSI's compliance with state and federal regulations related to the debt collection activities performed by ACSI for our client markets: healthcare, government, financial-private sector, and higher education.

- ❖ Review ACSI's compliance with laws and regulations
- ❖ Continually monitor changes in applicable regulations, research and analyze available sources of regulatory guidance in response to specific regulatory concerns
- ❖ Coordinate the implementation of pertinent regulatory process changes with various departments, and assemble the appropriate resources to determine the applicability of these regulations to the services provided and information used by each department
- ❖ Develop appropriate implementation action plans for new laws and regulations, and develop and maintain the appropriate project management processes to monitor progress towards successful and timely implementation of these standards
- ❖ Develop and maintain, in cooperation with the Corporate Training Department, training materials and courses to help staff address these regulatory changes with collections personnel and keep our clients abreast of the changes that apply to them

Corporate Compliance Team

The Corporate Compliance Team has four primary areas of responsibility:

- ❖ Consumer Assistance – Consumer Helpline

- ❖ Dispute and Complaint Resolution
- ❖ Complaint Prevention and Remediation
- ❖ Consumer Quality Assurance

Consumer Assistance – Consumer Helpline

Some consumers need help specific to their unique situation. The Consumer Helpline Call Representatives have a broad range of experience and training that enables them to assist consumers with questions or issues for which a conversation with a Recovery Agent may not be appropriate. They can also reach back within the company to obtain the information required to assist them in resolving the consumers issue or forward them to the individual who can.

All collection agencies should have a helpline separate from collections through which they can be contacted by the consumer. Few agencies have a separate helpline dedicated to providing positive, non-collection interaction for consumer inquiries, disputes, or grievances. As a leader in responding to collection industry changes and client/consumer needs, ACSI established a bilingual Consumer Helpline to provide a distinctive and useful service to consumers. Consumers who call seeking assistance are greeted respectfully and in a manner that genuinely helps them resolve their issues.

The Consumer Helpline is an alternative communications channel through which ACSI provides multiple services, including consumer questions, complaint mitigation, dispute/issue resolution assistance, and forwarding of consumer calls to the appropriate department. The Consumer Helpline also minimizes the number of consumers going to the CFPB and/or other regulatory agencies to file complaints.

The Call Representatives who field the Consumer Helpline are an independent group and separate from ACSI's collection operations; thus, they have no vested interest in the collection process and can maintain impartiality. Additionally, their work area is physically segregated from the Recovery Agents' to prevent collaboration between Consumer Helpline Call Representatives and Recovery Agents.

ACSI records and logs all incoming consumer calls to the Consumer Helpline as a service ticket to ensure all calls are entered into the system and tracked until final resolution. The system also allows Consumer Helpline Call Representatives to enter notes documenting the nature of the call, required action(s), and how and when each call was resolved. A service ticket cannot be closed until all required action(s) have been completed appropriately and satisfactorily.

Dispute and Complaint Resolution

Our processes for managing and processing disputes and complaints are described in the following sections. Complaints and disputes are handled separately. We view all complaints as a possible legal violation because they typically allege an FDCPA or other potential regulatory violation. Complaints may be received by federal agencies, the CFPB, consumers via their legal representatives, states Attorney Generals, the BBB, etc. Complaints are handled via a full investigation (including reviews of recorded calls), correspondence with the appropriate reporting agency, and an attempt to make a good-faith effort to

resolve the issue. All complaints received through the CFPB require ACSI to provide a response and the final resolution with the consumer to the CFPB as quickly as the issue can be resolved.

DISPUTES

Disputes are viewed as a consumer issue, e.g., the consumer claims the account is invalid, insurance was responsible for paying, disagrees with the debt balance, needs proof of the debt, etc. We handle disputes by sending the requested validation documentation to the consumer and making an attempt to resolve the issue immediately. ACSI sends Validation Letters to consumers when accounts are placed with us for collection. The Validation Letters provides consumers with all of the documentation received by our clients at the time of placement and notifies them that they have 30 days in which to dispute the debts. Consumers who dispute their debts can do so verbally, via written correspondence, or for credit-related issues electronically via e-OSCAR.

When ACSI receives dispute notices, we halt all collection activity and investigate their validity, including requesting additional debt validation documentation from our clients or the consumer, if applicable. We also provide the documentation and recommendations to clients to accept or reject dispute claims that appear valid. Accounts for which consumers' dispute claims are deemed valid are returned to ACSI's clients. Collection activity on accounts for which consumers' dispute claims are deemed invalid is resumed through the normal collection process.

COMPLAINTS

Complaints are any communication from a consumer expressing frustration, anger, and/or harassment. ACSI logs and tracks any escalated collection calls forwarded from a Collection Manager to the Compliance Department as a complaint. Complaint prevention is achieved through regulatory compliance, rigorous training, and strict adherence to company policy. All complaints are handled by ACSI's Complaint Management Team headed by the Direct of Compliance. ACSI's complaint prevention and resolution policies are outlined in the following text. ACSI holds zero tolerance for deviations from these policies.

COMPLAINT PREVENTION POLICY

An ACSI employee must not:

- ❖ Harass, oppress, or abuse any consumer
- ❖ Use profane language, threats or coercion
- ❖ Make fraudulent, deceptive representations
- ❖ Threaten to file criminal charges
- ❖ Threaten to seize or sell property
- ❖ Make collect calls to consumers
- ❖ Make continuous telephone calls or cause incessant ringing of a consumer's telephone

- ❖ Mail correspondence to a consumer's place of business without marking it "confidential"
- ❖ Telephone the consumer without clearly identifying himself/herself and the nature of the call
- ❖ Disclose information to a third party, including a relative of the consumer, without the consent of the consumer. The Recovery Agent may accept oral consent to third-party disclosure from the consumer; however, the Recovery Agent must solicit permission in writing as proof and document the consent and the request for written documentation on the collection system

Any Recovery Agent who generates a valid complaint automatically by not following this policy or fails their monthly compliance score results in an automatic deduction of his/her commission payout.

TRACKING COMPLAINTS

All complaints are documented, logged, and tracked by our Corporate Compliance Team until resolved. Our ongoing cumulative and historical complaint status log tracks:

- ❖ Account Number
- ❖ Complainant Name
- ❖ Type of Complaint
- ❖ Correspondence Originator
- ❖ Business Unit
- ❖ Client
- ❖ Date Received
- ❖ Date Responded
- ❖ Status
- ❖ Allegations
- ❖ Notes
- ❖ Recovery Agent Involved
- ❖ Final Resolution

In addition to tracking and logging all complaints, ACSI prepares an individual consumer complaint investigation summary report for each complaint received that includes:

- ❖ Account Number
- ❖ Consumer Name
- ❖ Complainant Name
- ❖ Correspondence Originator (i.e. consumer, attorney, regulatory agency, CFPB)
- ❖ Client Name
- ❖ Date Assigned to ACSI

- ❖ Account Status
- ❖ Credit Reported
- ❖ Placement Type
- ❖ Recovery Agent(s) (Name & Extension)
- ❖ Manager (Name & Extension)
- ❖ Correspondence Received By (names and dates)
- ❖ Date Correspondence Sent

This form also documents any notes relevant to verbal or written communications made, payment history, and credit reporting actions taken. The report concludes with a summary of the investigation, actions taken, and outcomes.

COMPLAINT RESOLUTION POLICY

ACSI employees must 1) verify the identity of the person to whom he/she is speaking prior to any disclosure of information concerning the existence of the account or the amount owed on the account and 2) stop communicating with the consumer and deal strictly with an attorney once it is known that the consumer is represented by an attorney.

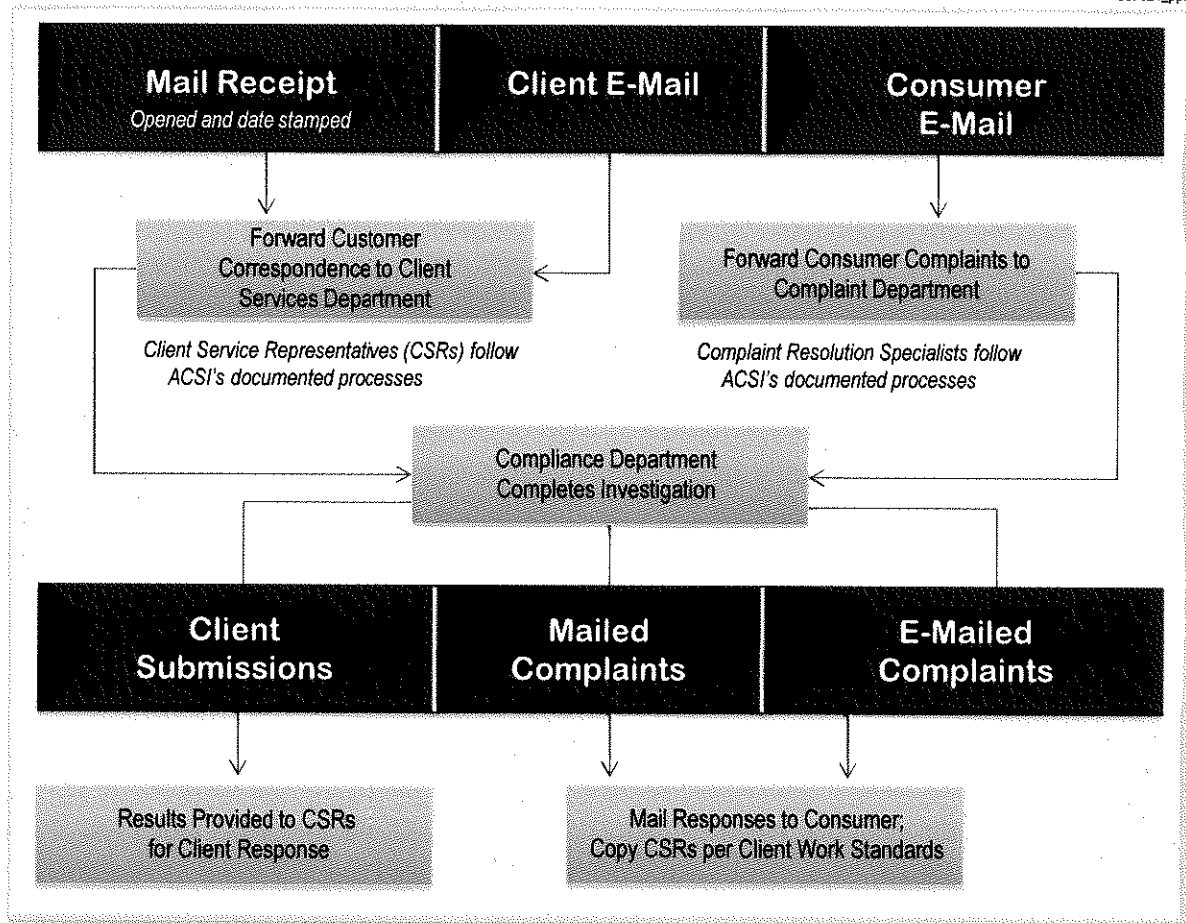
When a consumer wishes to speak only to a manager or refuses to speak to the Recovery Agent, or when the Recovery Agent feels he/she is losing control of a call, the Recovery Agent **MUST** escalate the call to his/her Team Leader or Recovery Manager. Recovery Managers are responsible for attempting to defuse any situation that may result in a complaint or regulatory violation. If a Recovery Manager is unable to settle a situation without a complaint, the complaint must be forwarded to the Compliance Department.

All complaints are processed and handled in accordance with the procedures highlighted in **Complaint Workflow on the following page** and outlined in the following list:

- ❖ Date-stamp each written complaint, scan it and attach the scanned version to the consumer's Account Transaction History screen on the collection system. If the complaint is oral, document the complaint on the system in the consumer's Account Transaction History screen.
- ❖ Place the account in a suspended status.
- ❖ Initiate a Complaint Tracking Form and prepare an individual consumer complaint investigation summary report. Update the Complaint Tracking Form to maintain careful records of any associated correspondence, and/or legal documents.
- ❖ Review the allegation(s) and the account notes with the Recovery Agent(s) in question.
- ❖ If a complaint is invalid, document the reason(s) why in the consumer's Account Transaction History screen on the system and remove the account from suspended status and return the account to the normal collections process.

Complaint Workflow

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- ❖ If a complaint is valid, document the reason(s) why in the consumer's Account Transaction History screen on the collection system.
 - ◆ Recommend the appropriate action to be taken with the Recovery Agent, e.g., additional training, suspension, transfer, or dismissal.
 - ◆ Forward recommended action to the Recovery Agent's Manager and ACSI's Human Resources Department along with a request for resolution.
- ❖ Respond to each complaint by sending a letter documenting the complaint and how the complaint has been resolved to the consumer and/or the consumer's lawyer/representative and to the client from whose consumer the complaint was received. Complaint resolution letters are attached to the consumers account history file as well.

COMPLAINT PREVENTION AND REMEDIATION

Consumer complaints range from minor issues and misunderstandings to serious allegations of regulatory violations. Consumer Helpline Call Representatives are trained to know the difference and assist consumers by investigating and addressing their complaints in a timely, professional fashion. Mitigating

complaints in this way benefits the consumer by swiftly and objectively resolving identified issues and benefits our clients by reducing adverse consumer reaction.

Compliance personnel implement and monitor the usage and effectiveness of procedures put in place for preventing complaints, identifying and analyzing trends for why certain types of complaints are received, developing ACSI's responses to all complaints, and proactively correcting the recurrence of complaints.

Compliance personnel are also responsible for monitoring and evaluating the effectiveness of ACSI's consumer assistance program and our mission to alleviate complaints and lawsuits as a proactive step before consumers contact an external resource and/or regulatory body to file a complaint.

Consumer Quality Assurance

Quality assurance personnel assist all areas of the company for which regulatory compliance applies, including training, oral and written communications, operational procedures, monitoring, auditing, reporting, and follow-up.

Collection Calls

All consumer inbound and outbound calls are recorded, and Recovery Agent calls are audited against a compliance call monitoring/evaluation checklist. We have 4 FTE call monitors who conduct random and targeted audits of recorded phone calls. During our random call monitoring audit we listen to 20-30 phone calls per month per Recovery Agent. The scores Recovery Agents receive as results of their performance against this checklist are directly tied to their monthly bonus. If they score below the compliance threshold, they get an automatic withdrawal from their total bonus.

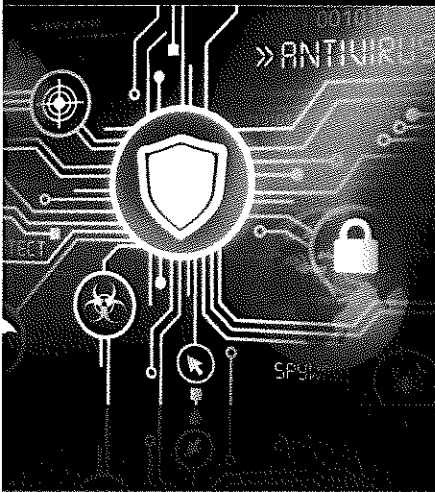
Inbound/Outbound Correspondence

General correspondence is monitored by the Client Services Department and our Corporate Compliance Team and Auditing Department, and audited on a random basis by quality assurance personnel. Payments received via correspondence are processed and monitored by the Trust Accounting Department and audited via daily payment posting and deposit reconciliations. Complaints and disputes are processed, monitored, and audited by the Compliance Department. The Compliance Department also monitors and audits complaints and disputes. All consumer inbound/outbound correspondence, whether it be verbal and/or written is recorded and archived for client viewing, quality auditing purposes, complaint mitigation, and/or training purposes.

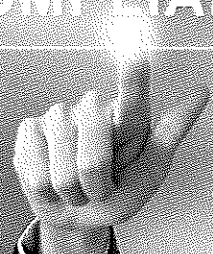


ACSI
Get The Edge

Technology & Reporting



COMPLIANCE



TECHNOLOGY & REPORTING

ACSI offers a suite of robust collection technologies, real-time reporting capabilities, a highly secure client portfolio collaboration portal, and convenient consumer electronic payment systems.

Technology

ACSI continuously makes significant investments in the latest technologies to keep us at the forefront of our industry and provide our clients with the value-added services and performance results that best serve them. The following narrative describes the current technologies we utilize to make a positive difference in the recoveries we are able to provide to our clients and the impact our performance has on their bottom lines.

Technological advancements have their place in debt collections, and ACSI has an ongoing initiative through which we routinely seek out the newest technologies to adopt into our processes and use to their fullest potential. ACSI also purchases and installs new equipment and software to upgrade our IT infrastructure for the entire company as the needs arise. We have invested heavily in new servers for our main application and backup locations and upgraded Recovery Agent workstations with dual monitors at each workstation. In addition, we installed a new telephone system, inbound and outbound call recording with real-time voice analytics and training suite, advanced security monitoring software, and dual authentication devices.

We consistently monitor legal decisions regarding collection industry lawsuits and regulatory mandates and seek out new technology solu-

TECHNOLOGY HIGHLIGHTS

- ◆ *Expanded communications reach via a consumer website through which consumers can access make mobile-friendly payments, or initiate communications with ACSI via email and/or texting (the latter anticipated to be available in 2018)*
- ◆ *Online collaboration website enables ACSI's clients to view the activities performed and progress of their accounts remotely on a 24/7/365 basis*
- ◆ *Make direct, manual calls using the ShoreTel Communicator to ensure compliance with the TCPA mobile phone rulings*
- ◆ *Total inbound and outbound call recording made available to ACSI quality assurance and compliance auditors and our clients*
- ◆ *Voice analytics software flags potential errors in real time and allows managers to intervene on collection calls in progress*
- ◆ *Collection system designed to automate the debt collection process and features advanced efficiencies in client portfolio and consumers account management*
- ◆ *System-generated, ad hoc, and Key Performance Indicator reporting capabilities, all of which can be tailored to meet each client's needs*

ACSI utilizes the most advanced technology tools to enhance our collection operations and deliver the best recovery results possible to our clients.

tions that have the potential to mitigate those negative outcomes. All new technological enhancements are considered carefully and go through a complete legal compliance review before they are approved and scheduled for implementation. The benefits of our investment in these latest technologies are simple but important: continuous improvement of our collection performance which, in turn, produces higher recoveries for our clients.

Bloodhound Collection Software

ACSI's Bloodhound collection system by Roydan of Manitowoc, WI, is a robust end-to-end, receivables management system that was designed to automate the debt collection process.

Features include:

- ❖ Personalized screens
- ❖ Client web portal
- ❖ Consumer web portal
- ❖ Document imaging
- ❖ Predictive dialing
- ❖ Message dialing
- ❖ Drag & drop file uploads
- ❖ Personalized collection menus
- ❖ Multiple business support
- ❖ Electronic payment integration
- ❖ Letter outsourcing integration
- ❖ Over 70 standard reports
- ❖ Ad-hoc report writing interface
- ❖ Collated client remittance reports
- ❖ Direct e-mail/fax capabilities
- ❖ Check imaging
- ❖ Check guarantee
- ❖ Check verification integration
- ❖ Check re-presentment
- ❖ Integrated Credit Bureau access
- ❖ Credit Bureau listing
- ❖ Extensive consumer search options
- ❖ Multiple responsible party options
- ❖ Personalized information windows
- ❖ Flexible permission controls
- ❖ Data logging & history screens
- ❖ Pre-collect account options
- ❖ Trust/operating fund tracking
- ❖ Unlimited commission setups

ACSI has a long history with Roydan and the Bloodhound system. Roydan has worked with ACSI to include specific enhancements to the Bloodhound system to meet our company-specific needs and we are confident our IT personnel, along with the support of Roydan, will continue to enhance the systems compliance, security, and effectiveness functionalities.

BLOODHOUND CONSUMER WEB LINK

Consumer Web Link offers a modern user-friendly pay-online functionality that many consumers expect and can be a powerful tool for increasing collection recoveries. Through Consumer Web Link:

- ❖ Consumers log in using a unique user name and password that ACSI can provide over the phone, or in the collection notice they receive from us.
- ❖ Access is permissions-based, so we control what the consumer can see and do via the website.
- ❖ We, in conjunction with and approval of the City of Franklin, can determine which accounts will appear on the website for the consumer to view and pay.
- ❖ Consumers can schedule future payments.
- ❖ Real-time integration with our Bloodhound system means accounts are instantly updated when a payment is made online.
- ❖ ACSI staff can be notified when a consumer logs in or makes a payment.
- ❖ The consumer's website activity can initiate additional workflow steps in Bloodhound.

BLOODHOUND CLIENTCONNECT AND COLLABORATION CENTER

ACSI has implemented a collaborative approach that is reliable, accessible, adaptable, seamless, easy-to-use, and, most of all, secure and compliant through our ClientConnect and Collaboration Center (C2Center).

ACSI clients can connect with us via ClientConnect, a fast, highly secure and intuitive way to transfer files from ACSI to our clients and from our clients to ACSI. Via ClientConnect, all account data transmitted between ACSI and our clients are secured using HTTPS. All data in transit is encrypted using HTTPS for all file transfers. Data at rest is not encrypted but is secured on the network by strict access permit lists, only allowing those users authorized access to perform their work duties.

We can send and accept files via the C2Center in commonly used formats, including Excel, .txt files, and csv formats. We can also customize our C2Center interface to accommodate any unique formats the City of Franklin may have with your in-house software during implementation.

All data transfers between ACSI and the City of Franklin will adhere to the frequency which best meets the City of Franklin needs whether that may be on a daily, weekly, monthly, or even on an ad hoc basis. All data exchange formats and methods required by the City of Franklin will be tested during contract implementation and onboarding.

The C2Center also allows clients to communicate with ACSI, view their accounts, view and pull reports, make adjustments to accounts, etc. via the Collaboration Center. Key features of the C2Center include:

- ❖ Real-time, secure access to accounts online
- ❖ New, easy to navigate website design
- ❖ Search results and expanded account information are displayed on a single page
- ❖ Includes password self-management and “forgot your password” functionality
- ❖ See pending final payments that have been received by our Trust Accounting Department but not yet finalized
- ❖ View documentation attached to an account or upload additional documentation
- ❖ Access current or historical reports
- ❖ Help documentation available

In addition to our C2Center, ACSI can also use highly secure email, password protections, and security-encrypted file transfer protocol (SFTP) options to transfer files, send messages, exchange messages, and provide reports.

ACSI does not have a set data dump to which we require our clients adhere. Rather, we set up our data record fields to match clients' data record fields; thus, during the onboarding process we map each client's data field to our system, not the other way around. This is important to the City of Franklin because ACSI will be able to accept and upload all important account information contained in the City of Franklin's .csv file that ACSI needs to perform all of the collection activities required by the City of Franklin.

All data transfers between ACSI and the City of Franklin will adhere to the frequency which best meets the City of Franklin's needs whether that may be on a daily, weekly, monthly or even on an ad hoc basis. All data exchange formats and methods required by the City of Franklin will be tested during contract implementation and onboarding.

BLOODHOUND SCALABILITY

Bloodhound is organized in a fashion that manages the relationships between Recovery Agents, clients, consumers, 3rd party interfaces, dialing and financial transactions in a very efficient design. Great care has been taken to ensure that transactions are completed as expected, utilities have self-healing attributes to allow for a distributed network strategy, and the system is designed to be real-time.

To ensure the operational Progress database continues to focus on the day to day changes in the system, the reporting is off-loaded to a SQL Server reporting database. Using a tool provided by Progress, the replicated SQL Server database is continuously up to date, near real-time.

Progress is a transactional database language prevalent in the financial industry and is very efficient and scalable. Microsoft SQL Server is equally scalable and very well-suited for reporting. Performance is dependent on the version of SQL and the hardware resources available. Both database technologies have solutions available to ensure ACSI's capacity requirements can be scaled out and scaled up.

ShoreTel Communicator

ACSI does not utilize an auto/predictive-dialer due to TCPA rulings regarding mobile phone calling via an auto/predictive-dialer unless there is documented and specific express consent from the consumer. We do have a dialer capability via Global Connect a cloud based dialer if a client has documented express consent. ACSI Recovery Agents make direct, manual calls using the ShoreTel Communicator which has been integrated with our proprietary software, Scout, to create a "click dial" function for available tele-phone numbers and accelerate the dialing of numbers, in particular mobile devices, in a manual mode. This is an application created by our Senior Software Developer that is loaded onto each Recovery Agent's computer.

We also block numbers from consumers who have requested ACSI to "cease and desist" contact, have pending disputes or complaints, have an attorney involved, or are outside of the call time frames allowed by law. We can also put temporary blocks on calls to disaster hit areas. As an extra precaution, ACSI's Recovery Agents check numbers received from skiptracing sources first to ensure their accuracy and type, e.g., land line, mobile device, etc.

Hardware

ACSI's information technology infrastructure is a robust infrastructure comprised of the latest hardware, software, and telecommunications equipment necessary to perform highly secure debt collections, including networks, servers, virtual SANs, workstations, printers, etc. ACSI's production servers are hosted on a VMware vSphere 5 cluster which is spread across separate physical servers. This allows for servers to be quickly migrated or restored to another physical virtual host should one have a critical hardware failure. All VM hard drives are configured for RAID5 or RAID10 to provide redundancy for the datastores.

ACSI utilizes an EMC SAN with redundant paths to the servers and a hot spare hard drive to provide additional redundancy/failover for critical production systems. We have also invested in new technologies, such as voice analytics and a more advanced call recording system, to stay at the forefront of the changing regulatory landscape.

Reporting Capabilities

Collection activity is documented via automated, semi-automated, and manual processes. ACSI's Bloodhound collection system records all collection activity in real-time to form a complete snapshot of account actions, history, and status. During our new client onboarding phase of contract implementation, ACSI will capture all collection activity and information the City of Franklin requires to be documented and integrate them into our workplans developed specifically for the City of Franklin. This approach will ensure compliance with the City of Franklin's contract terms and the City of Franklin's service requirements.

In addition, ACSI's Recovery Agents and other authorized users can also enter free-form notes and remarks that become a permanent part of the account transaction history. We also record and archive all inbound and outbound telephone calls and written communications in real time. These historical records validate all of our collection efforts and data accumulated while doing so and are made available to support our clients during any audit, inquiry, or complaint investigation.

Our flexible and extensive reporting functionality enables ACSI to track and report on nearly any data point stored in our systems, current portfolio status, performance results, or historical detail concerning the client portfolios placed with us for collection. Reports are also used to analyze and adjust, show performance and trends, and assess clients' whole portfolio results. Additionally, our collection system lets us create client custom windows/fields, which allows us to store any additional data that clients may require or want. ACSI's reporting capabilities are shown **on the following page**.

Reporting Capabilities

Reporting Attribute

Reporting Capabilities Available to Clients

Real-time Information

Real-time account activity updating alleviates the possibility of erroneous information when communicating with consumers and/or supplying our clients with accurate account status

ACSI documents collection activity in real-time through our Bloodhound collection system, which automatically records all activity performed as accounts progress through the life cycle of the collections process.

ACSI's Client Services Representatives (CSRs) have access to real-time information when responding to clients' requests for specific account details, readying accounts to be returned to clients based on contract work standards, and providing input to other ACSI departments that support the collections effort.

Account History Detail

Updating account history details in real time provides all authorized participants, including our clients, with a detailed snap-shot of all activities performed on each individual account from account loading to account return.

ACSI captures and documents all account information, actions performed, and outcomes from the time accounts are placed with us for collection, including, but not limited to:

- Calls made
- Letters sent and returned
- Skiptracing steps performed
- Consumer correspondence received
- Recovery Agent notes
- Payment arrangements and agreements
- Payments received and remitted
- Administrative resolutions (e.g., bankruptcy, deceased, etc.)
- Disputes and complaints
- Accounts returned

ACSI's Recovery Agents and other authorized users can also enter free-form notes and remarks that become a permanent part of the account transaction history.

We also record and archive all inbound and outbound telephone calls and written communications in real time. These historical records validate all of our collection efforts and data accumulated while doing so and are made available to support our clients during any audit, inquiry, or investigation.

Flexibility

The flexibility of ACSI's reporting means our clients do not have to settle with an agency's inflexible reporting capabilities. ACSI's flexibility enables us to provide our clients with reports that meet their needs and preferences.

Because each ACSI client has their own unique reporting needs, we have a flexible approach to generating and customizing reports to meet them as part of our onboarding process.

ACSI can report payments made separately and provide calculation of any split desired by a client, on a monthly basis to enable clients to reconcile referral records for both components.

We can provide reports to clients based on any data variable; at any frequency desired or required, including yearly, monthly, weekly, and even daily reports.

Reports are available via multiple formats such as fax, email, FTP, via the client assigned CSR, and/or ACSI's C2Center via Bloodhound, our all-in-one collection system solution.

Reporting Attribute

Reporting Capabilities Available to Clients

Standard Reports

ACSI's CSR assigned to the City of Franklin will have the authority and experience to reach-out to any department necessary to obtain your requested reports.

ACSI can provide standard system-generated reports that can cover a wide variety of clients reporting needs, including:

- Client account placement acknowledgment
- Account exception processing
- New telephone and location information
- Collection activities performed on consumer's accounts
- Summary portfolio status or a selected segment of a client's portfolio and the collection history of the same
- Specialty collections activity performed by debt type or clients' work requirements
- Accounts in promise-to-pay agreement status and the projections of future payments and dates
- Funds collected and remitted
- Contingency fees paid
- Accounts closed and/or returned

In addition, ACSI can prepare ad hoc reports that meet nearly any client reporting needs via system report-writing software or programmed by our IT Department for a client during the onboarding process to meet client-specific reporting requests.

Ad hoc reports are provided generally within two to five business days depending on the complexity of the ad hoc report requested.

Status Reports

Detailed real-time reports are essential to our clients' assessment of the status of each individual account placed with ACSI.

Our system has the ability to provide reporting by status (e.g. skips, paying, closed, length of time with ACSI, etc.)

Accounts that are placed with ACSI as skips are loaded into our system as skip accounts and converted to paying accounts as consumers are located and payment arrangements established.

ACSI provides a status report to clients listing accounts under payment arrangement, legal accounts, and exhausted accounts.

View Point Custom Reporting

ViewPoint offers more options for report management – modern design tools and standards, templates that can be easily personalized, report scheduling, and seamless integration with Bloodhound and the ClientConnect web application.

Create your own reports using provided templates.

Access real-time data when building reports through Bloodhound's seamless integration with ViewPoint. Make ViewPoint reports easily available to your clients through seamless integration with our C2Center web application.

Transform standard Bloodhound reports to suit the City of Franklin's needs by moving, deleting, or renaming columns.

Export reports in a variety of formats, including PDF, CSV, XML, TIFF, Microsoft Excel, and Microsoft Word.

Schedule reports to be delivered by email at a prescribed desired time.

Reporting Attribute

Reporting Capabilities Available to Clients

Credit Bureau Reporting

With client approval, ACSI's credit agency reporting capabilities and procedures assure this collection tool is utilized to its fullest and within the strictest requirements of compliance and client mandates.

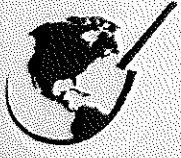
ACSI reports to all three of the major credit reporting agencies if permitted or required to do so by clients. ACSI reports to Equifax, Experian, Transunion and Innovis.

If requested and upon receipt of legal authorization, ACSI will initiate the process to report to the credit bureaus in compliance with the Fair Credit Reporting Act, Fair and Accurate Credit Reporting Act, California Rosenthal Act, Federal Equal Credit Opportunity Act, Consumer Credit Protection Act, and all other relevant federal and state laws.

During the account placement process, ACSI codes clients' portfolios to permit or prohibit reporting to the credit bureaus.

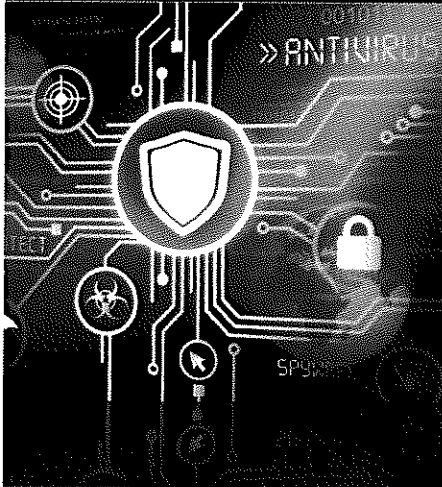
ACSI complies with all laws as they apply to credit reporting protocols, including 180 days following initial account placement of healthcare accounts.

Sample client reports are included in **the following pages**. This sampling includes reports most commonly requested by ACSI's clients and can be viewed through our Client Portal. All consumer and client information contained in these samples has been scrambled or sanitized to ensure all confidential consumer and client information is protected from disclosure. All reports will be customized to meet the City of Franklin's standards for format, content, and submission schedule during the project onboarding process and can be adjusted as deemed necessary.



ACSI
Get The Edge

Sample Reports



Automated Collection Services, Inc.
 2802 Opryland Drive
 Nashville, TN 37214
 800-467-2316

ACKNOWLEDGEMENT OF ACCOUNTS
 3/16/2010
 CREDITOR: 12345

Contact Name
 Client Name
 Address Line 1
 Address Line 2

154

ACCOUNT # NAME	AUX CREDITOR / PATIENT	RATE CODE	LAST ACT.	AGE MO.	AMOUNT
111124		R3350	6/25/2009	9	\$125.00
111125		R3350	3/25/2009	12	\$61.72
111126		R3350	4/16/2009	11	\$48.92
111127		R3350	6/22/2009	9	\$20.00
111128		R3350	5/28/2009	10	\$48.92
111129		R3350	5/19/2009	10	\$118.81
NUMBER: 6	AVERAGE AMT: \$70.56	AVG AGE: 10 MNTHS		TOTAL:	\$423.37

April 2018

CREDITOR: 12345 CLIENT NAME

ATTN: CONTACT NAME
 CLIENT NAME
 ADDRESS LINE 1
 ADDRESS LINE 2

Agency Acct	Account Number	Debtor Name	Date of Service	Date Placed	Age Acct	Amount Placed	Balance Owed	Notes
111124	77778	USER, TEST	3/31/2016	7/14/2016	105	139.47	139.47	ACTIVELY WORKING
111125	77779	DOE, JOHN	1/2/2013	4/11/2013	99	377.14	377.14	CLIENT CALL
111126	77780	DOE, JANE	4/3/2012	7/30/2012	118	97.41	97.41	ACTIVELY WORKING
111127	77781	USER, TEST	3/11/2011	7/25/2011	136	96.58	96.58	ACTIVELY WORKING
111128	77782	DOE, JOHN	6/6/2011	11/1/2011	148	74.04	74.04	PENDING NEW INFO
111129	77783	USER, TEST	1/15/2015	1/13/2016	363	228.84	198.84	ACTIVELY WORKING
111130	77784	DOE, JANE	11/23/2011	3/28/2012	126	189.32	189.32	POE VERIFIED
111131	77785	USER, TEST	3/17/2011	7/25/2011	130	49.25	49.25	PENDING NEW INFO
TOTALS:						1,252.05	1,222.05	

155

April 2018

ACCOUNTS IN REPORT: 8

MONTH TO DATE PROGRESS REPORT RECONCILIATION FOR: 12345 - - CLIENT NAME

LAST STATEMENT'S PRINCIPAL BALANCE: <Balance from Last Statement

MONTH TO DATE NEW BUSINESS: <Total Amount Placed>

MONTH TO DATE ADJUSTMENTS: <Total Amount Adjusted>

MONTH TO DATE RETURNS: <Total Amount Returned>

MONTH TO DATE CASH RECEIPTS: <Total Amount Paid>

NEW PRINCIPAL BALANC 1,222.05 <Last Statement's Balance+New Business-Adjustments>Returns-Cash Receipts>

Automated Collection Services, Inc.
 2802 Opryland Drive
 Nashville, TN 37214
 800-467-2316

CREDITOR ACCOUNT SUMMARY REPORT
 PAYMENTS THROUGH: 07/05/2016
 CREDITOR: 12345

Attn: Contact Name
 Client Name
 Address Line 1
 Address Line 2

157

NUMBER DATE PLACED	AMOUNT PLACED	AVERAGE BALANCE	# PAID IN FULL	PERIOD COLLECTIONS	TOTAL COLLECTIONS	%COLL	NUMBER RETURN	TOTAL RETURNED	NUMBER ACTIVE	AMOUNT ACTIVE	TOTAL COMMISSIONS
2010 26	\$2,610	\$100.39	12	\$0.00	\$834	32	4	\$918.59	10	\$858	\$287.95
2011 37	\$9,445	\$255.27	13	\$0.00	\$870	9.2	0	\$0.00	24	\$8,575	\$301.70
2012 20	\$2,442	\$122.08	8	\$0.00	\$787	32.2	2	\$135.00	10	\$1,520	\$262.15
2013 19	\$3,101	\$163.23	9	\$0.00	\$928	29.9	0	\$0.00	10	\$2,174	\$326.65
01-14 4	\$433.55	\$108.39	0	\$0.00	\$0.00	0	0	\$0.00	4	\$433.55	\$0.00
03-14 2	\$146.48	\$73.24	1	\$0.00	\$74.94	51.2	0	\$0.00	1	\$71.54	\$24.98
04-14 1	\$114.59	\$114.59	0	\$0.00	\$0.00	0	0	\$0.00	1	\$114.59	\$0.00
05-14 2	\$199.93	\$99.97	1	\$0.00	\$124.99	62.5	0	\$0.00	1	\$74.94	\$41.66
07-14 1	\$142.00	\$142.00	0	\$0.00	\$25.00	17.6	1	\$117.00	0	\$0.00	\$8.33
2014 10	\$1,037	\$103.66	2	\$0.00	\$225	21.7	1	\$117.00	7	\$695	\$74.97
03-15 2	\$225.00	\$112.50	1	\$0.00	\$125.00	55.6	1	\$100.00	0	\$0.00	\$41.66
05-15 2	\$195.97	\$97.99	0	\$0.00	\$0.00	0	0	\$0.00	2	\$195.97	\$0.00

April 2018

06-15	1	\$65.90	\$65.90	1	\$0.00	\$65.90	100	0	\$0.00	0	\$0.00	\$21.96
07-15	4	\$418.45	\$104.61	1	\$140.14	\$140.14	33.5	1	\$70.00	2	\$208.31	\$46.71
08-15	1	\$95.00	\$95.00	0	\$0.00	\$0.00	0	0	\$0.00	1	\$95.00	\$0.00
09-15	1	\$185.67	\$185.67	0	\$0.00	\$0.00	0	0	\$0.00	1	\$185.67	\$0.00
11-15	1	\$308.02	\$308.02	0	\$0.00	\$100.00	32.5	1	\$208.02	0	\$0.00	\$33.33
12-15	1	\$69.94	\$69.94	0	\$0.00	\$0.00	0	0	\$0.00	1	\$69.94	\$0.00

2015	13	\$1,564	\$120.30	3	\$140.14	\$431	27.6	3	\$378.02	7	\$755	\$143.66

01-16	2	\$376.61	\$188.31	0	\$0.00	\$30.00	8	0	\$0.00	2	\$346.61	\$10.00
02-16	2	\$639.40	\$319.70	0	\$0.00	\$100.00	15.6	1	\$249.46	1	\$289.94	\$33.33
04-16	2	\$175.11	\$87.56	0	\$0.00	\$0.00	0	0	\$0.00	2	\$175.11	\$0.00
05-16	1	\$34.94	\$34.94	0	\$0.00	\$0.00	0	0	\$0.00	1	\$34.94	\$0.00

2016	7	\$1,226	\$175.15	0	\$0.00	\$130	10.6	1	\$249.46	6	\$847	\$43.33

TOTAL	132	\$21,425	\$162.31	47	\$140.14	\$4,204	19.6	11	\$1,798.07	74	\$15,422	\$1,440.41

Automated Collection Services, Inc.
 2802 Opryland Drive
 Nashville, TN 37214
 800-467-2316

COLLECTION STATEMENT
 PAYMENTS THROUGH: 08/31/2016
 CREDITOR: 12345

CLIENT NAME
 ADDRESS LINE 1
 ADDRESS LINE 2

DATE	ACCOUNT NAME AUXILIARY CLIENT	ACCOUNT NUMBER CLIENT NUMBER	COMM RATE	AMOUNT PAID	DUE AGENCY	DUE YOU	PAY	DATE LISTED	TOTAL PAID	UNPAID BALANCE
*** PAID TO AGENCY ***										
30-Aug	DOE, JOHN	1234578 11124	30	\$20.00	\$6.00	\$14.00	A	9/3/2015	\$20.00	\$120.97
17-Aug	DOE, JANE	1234579 11125	30	\$20.00	\$6.00	\$14.00	A	9/4/2015	\$20.00	\$289.39
TOTALS:				\$40.00	\$12.00	\$28.00				
*** PAID DIRECT ***										
31-Aug	USER, TEST	1234580 11126	30	\$182.80	\$54.84	\$127.96	D	9/4/2015	\$182.80	\$7.20
TOTALS:				\$182.80	\$54.84	\$127.96				
GRAND TOTALS:				\$222.80	\$66.84	\$155.96				

	DUE YOU		DUE AGENCY
	-----		-----
AGENCY PAYMENTS:	\$28.00	DIRECT PAYMENTS:	\$136.10

	\$28.00	→	LESS DUE YOU: -\$28.00

			* PLEASE REMIT: \$26.84 *

IF YOU HAVE ANY QUESTIONS REGARDING THIS STATEMENT,
PLEASE CALL 800-467-2316

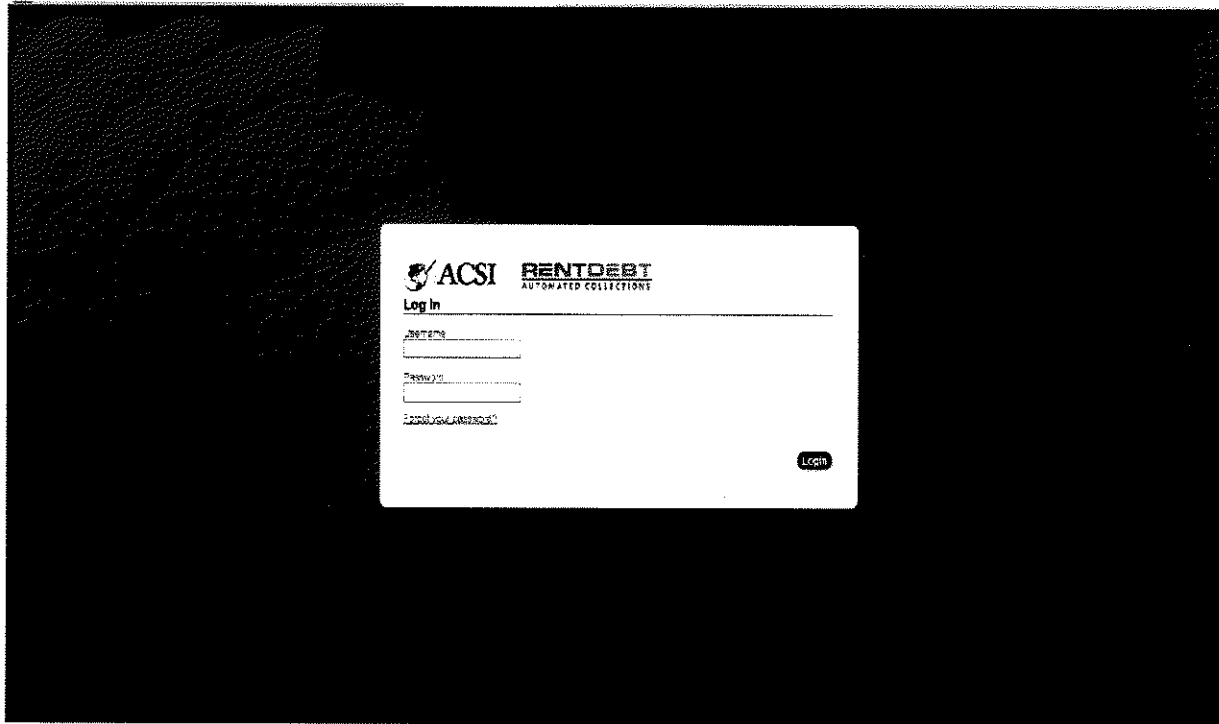
ACSI ClientConnect

New Client Portal Instructions

<https://clientconnect.rdac.acsi.net>

ClientConnect works with most recent web browsers except Microsoft Edge.
Google Chrome is recommended for the best experience

**Below the login screen.
Please save this to your favorites
for easy access.**



The screenshot shows a login interface for ACSI RENTDEBT. At the top left of the white login box is the ACSI logo, followed by the text "ACSI RENTDEBT" and "AUTOMATED COLLECTIONS" in smaller text. Below this is the heading "Log In" followed by a horizontal line. There are three input fields: "ENTER" (likely for username), "PASSWORD", and "CAPTCHA/VERIFICATION". A "Login" button is located at the bottom right of the login box. The background of the screenshot is black.

The first time you login you will use username and password received via secure email.

You will then be prompted to reset your password.



ClientConnect - Google Chrome
Secure https://clientconnect.rdac.acsi.net

ACSI **RENTDEBT**
AUTOMATED COLLECTIONS

Change Password

Your password has expired. Please use the form below to change your password.

Username:

Current Password:

New Password:

Change Password

• Password Criteria:

- Minimum Length: 8 Characters
- Require One Upper Case Letter
- Require One Numeric Digit
- Require One Special Character
- Maximum Password Age: 90 Days

• You will receive an email 11 days prior to Password Expiration.

User Menu- Top Right Hand Corner



• Hovering over the User Menu will open a drop down menu:

- **Access Help**
 - Allows you to search topics such as adding an account, downloading a file, etc.
- **Edit Personal Information**
 - First Name, Last Name, Username, Email Address
- **Change Password**
- **Log Out**

Manage Accounts Tab

- ▶ Allows you to search by:
 - ▶ Name
 - ▶ (Last Name, First Name)
 - ▶ Account Number
 - ▶ Client Account Number or
 - ▶ ACSI Account Number
 - ▶ Date Listed
 - ▶ Client Code/Group
 - ▶ If you have access to more than one Client account or Property, the drop down box will allow you to search specific accounts.

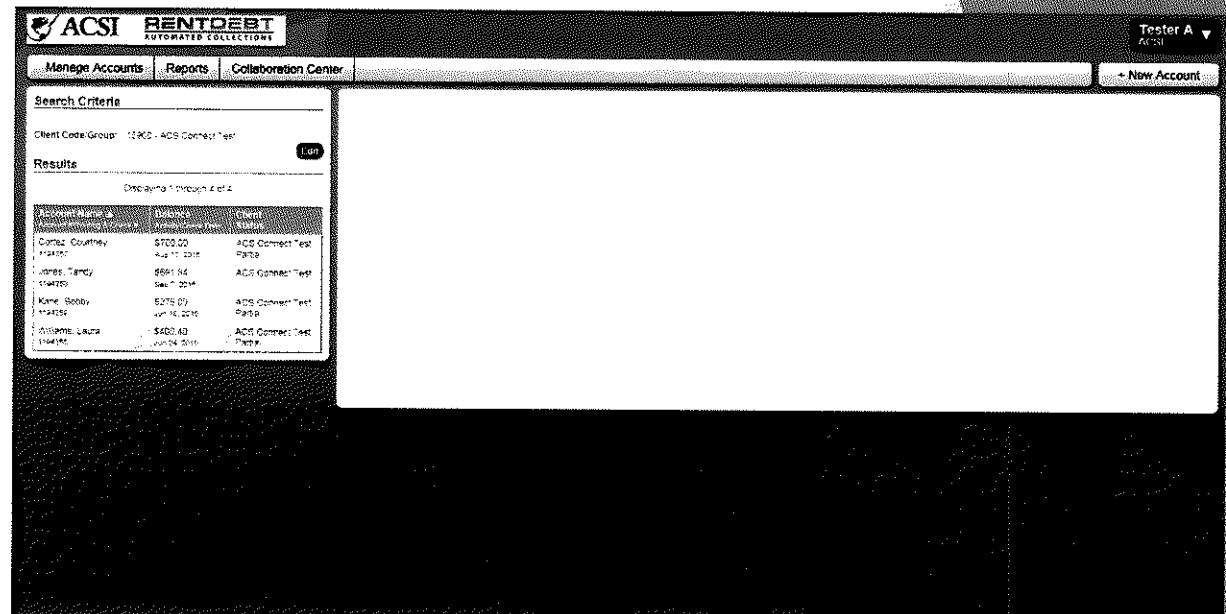
The screenshot displays the 'Manage Accounts' tab in the ACSI RENTDEBT AUTOMATED COLLECTIONS system. The interface includes a navigation bar with 'Manage Accounts', 'Reports', and 'Collaboration Center' tabs, and a user profile for 'Tester A'. The search criteria form on the left contains the following fields:

- Name:** LASTNAME First Name
- Account Number:** (empty field)
- Date Listed:** Month/Day/Year
- Client Code/Group:** (dropdown menu)

A 'Search' button is located at the bottom right of the form. The main content area on the right is currently empty.

Results View

- Shows:
 - Account Name
 - Account Number
 - Balance and Activity Date
 - Status
- By clicking on an account, it takes you to a more detailed view of the selected account. (Account Pane)



Account Pane

- The **Account Header** contains “at a glance” information about the account and the status of the debt. It includes the:
 - Debtor Name, Client’s Account #, Account Status
- The **Account Data Region** contains general account information such as:
 - Client Name, Agency Account #, Patient Name, Interest Rate, Credit Bureau Status, Etc.
- The **Balance Region** contains Balance Details for all balances for this account:
 - Principal, Court Costs, Attorney Fees, Interest, NSF, and Pending Payments
- The **Account Timeline Region** contains information pertaining to the account such as:
 - Listed Date and Amount, Last Activity Date, Last Payment Date and Amount, & Return Date and Amount
- The **Tab Pane** contains the following tabs:
 - Debtors
 - Payments

ACSI HENTEST ACCOUNT COLLECTIONS

Testing Tartha

Manage Accounts Reports Collections Center **New Account**

Search Criteria

Results

Account Number	Agency	Client	Status
120418	ACSI	WILLIAMS, LAURA	Active

Williams, Laura

120418
Regular (RI)

Agency Account Number: 120418
Original Debt Number: 120418
Comments: None

Balance Detail

Principal	307.00
Court Costs	0.00
Attorney Fees	0.00
NSF	0.00
Interest	0.00
Pending Payments	0.00
Total	307.00

Account Timeline

Last Activity	11/15/17
Last Payment	11/15/17
Last Return	11/15/17

Debtors - Primary

Agency Debtor #: 120418
Last Name: Williams
First Name: Laura

ACSI HENTEST ACCOUNT COLLECTIONS

Testing Tartha

Manage Accounts Reports Collections Center **New Account**

Search Criteria

Results

Account Number	Agency	Client	Status
120418	ACSI	WILLIAMS, LAURA	Active

Williams, Laura

120418
Regular (RI)

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Balance Detail

Principal	307.00
Court Costs	0.00
Attorney Fees	0.00
NSF	0.00
Interest	0.00
Pending Payments	0.00
Total	307.00

Account Timeline

Last Activity	11/15/17
Last Payment	11/15/17
Last Return	11/15/17

Debtors - Primary

Agency Debtor #: 120418
Last Name: Williams
First Name: Laura
Address: 123 Main St, Providence, RI 02901
Date of Birth (DOB): 11/15/1980
Social Security # (SSN): 123-45-6789
Spouse: William, Robert

Debtors Tab

- **Debtors Tab**

- Agency Debtor #
- First and Last Name
- Address
- DOB, Driver's License, SSN
- Employer
- Spouse

Debtors	Payments
Laura Williams - Primary	
Agency Debtor #:	RD765150
Last Name:	Williams
First Name:	Laura
Address:	7845 Test Dr MASON, TX 76856
Date of Birth (DOB):	April 15, 1976
Social Security # (SSN):	***-**-3154
Spouse:	Williams (details)

Reporting

Most reports you will be able to run on your own as needed; however, if you are already setup on auto reports, you will be able to view or download archived reports. As shown below on the Acknowledgment of Accounts dated Aug 22, 2017.

Reports

Find a Report

Search by report name

Name	Last Snapshot
Account Summary	None
Account Summary Report by Year_Month	None
Acknowledgment of Accounts	Aug 22, 2017
Age of Accounts at Listing	None
Check History	None
Client Listing	None
Client Recovery Rate Summary	None
Client Status Code Analysis	None
Debit Date Reconciliation Report	None
Historic Receipts Journal	None
M/D/A/T/D Receipts	None
Merchant Compliance	None
New Business Vs Collections	None
Progress Report Active Only	None
Progress Report Current	None
Progress Report Historical	None
Progress Report Total Only	None
Receipt History Summary	None

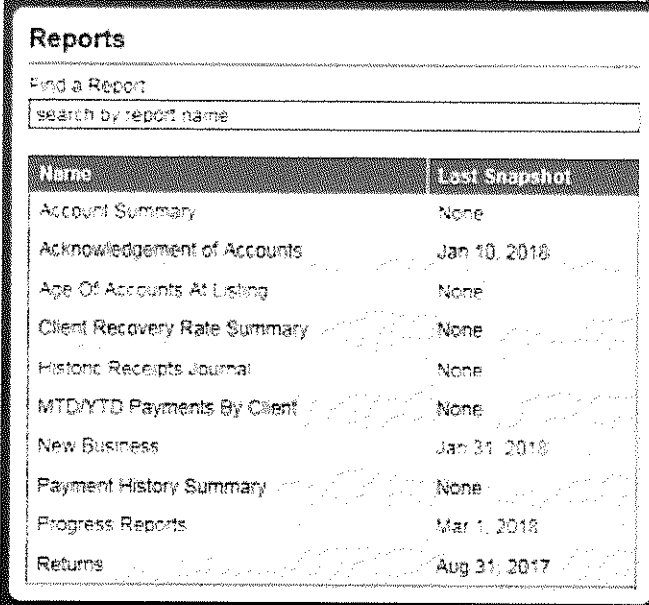
Acknowledgment of Accounts

Snapshots

Date & Time	Client	File Type(s)	Actions
Aug 22, 2017 4:02 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Apr 30, 2009 9:45 AM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Mar 25, 2009 4:33 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download
May 1, 2007 1:02 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Apr 30, 2007 1:51 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Apr 28, 2007 4:01 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Feb 21, 2007 9:59 AM	1TEST - ACS1 TEST CLIENT	PDF	View Download
Jan 10, 2007 3:59 PM	1TEST - ACS1 TEST CLIENT	PDF	View Download

Running a report

- ▶ Click on **Reports** in the menu bar at the top.
- ▶ Click the desired report name from the list to show the parameters.
- ▶ Enter the report parameters.
- ▶ To view the report on the screen, click the **View** button. The report will be displayed in a separate window in PDF format. Use the PDF controls that appear when you hover your mouse over the lower right corner to save or print the report.
- ▶ To export/save the report, click the **Export** button.
- ▶ Choose a format from the **Select Export Format** menu and click the **Export** button.



The screenshot shows a window titled "Reports". At the top, there is a search bar labeled "Find a Report" with the placeholder text "search by report name". Below the search bar is a table with two columns: "Name" and "Last Snapshot". The table lists several reports and their corresponding last snapshot dates.

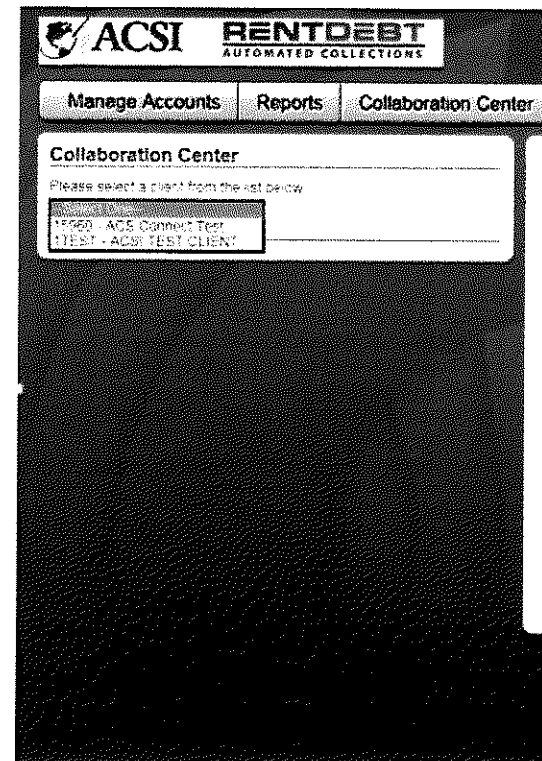
Name	Last Snapshot
Account Summary	None
Acknowledgement of Accounts	Jan 10, 2018
Age Of Accounts At Listing	None
Client Recovery Rate Summary	None
Historic Receipts Journal	None
MTD/YTD Payments By Client	None
New Business	Jan 31, 2018
Payment History Summary	None
Progress Reports	Mar 1, 2018
Returns	Aug 31, 2017

Collaboration Center

- ▶ From the portal, you can select which client account (if you have more than one) that you would like to add a file to.

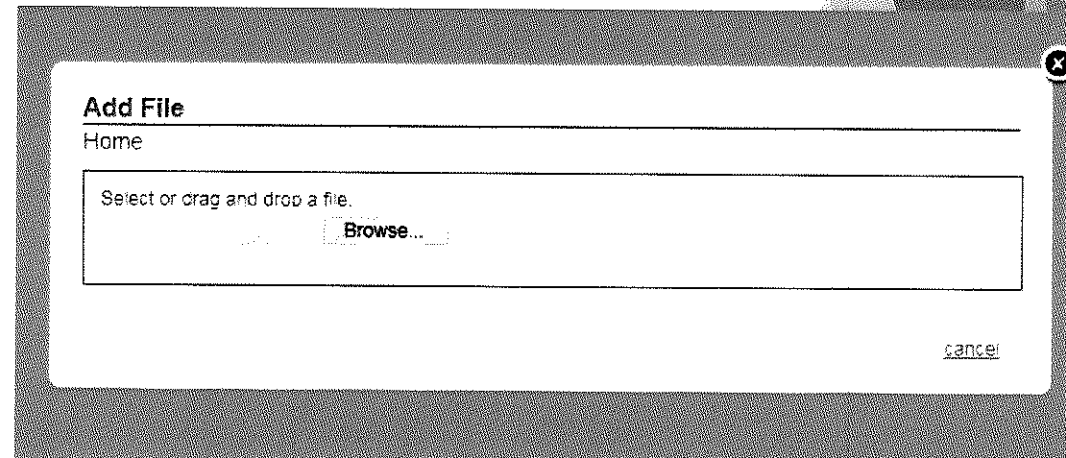
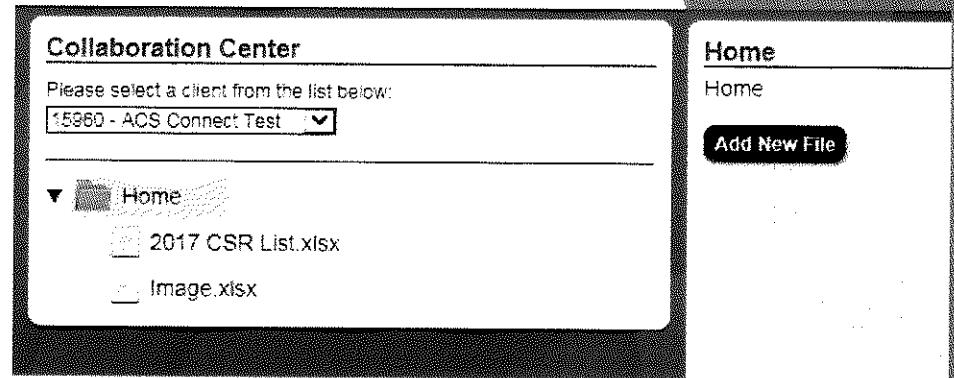
- ▶ **File Examples:**

- ▶ Placement Files
- ▶ Payment/Adjustment Files
- ▶ Media



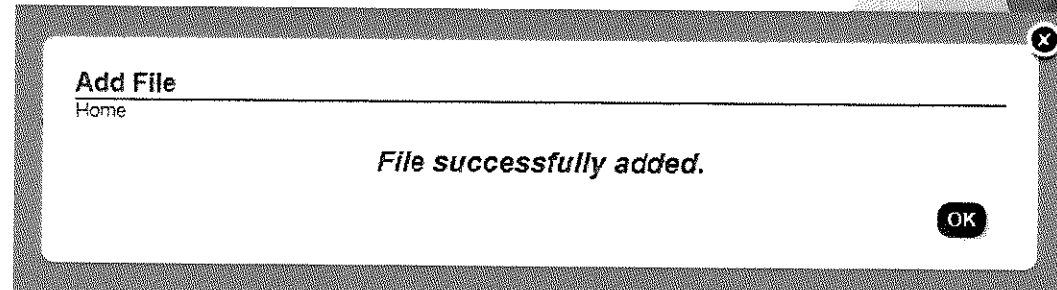
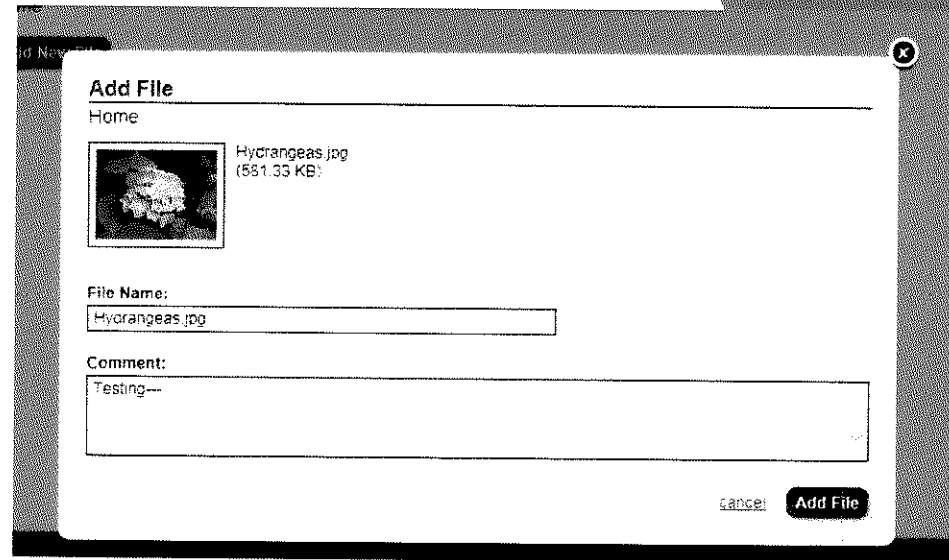
Adding a File

- ▶ Click the Add New File button on the right side of the Collaboration Center window.
- ▶ In the Add File window, click the Browse button to locate the file, or drag the file into the Add File box.



Adding a File Cont.

- Once the file name and preview are shown in the window, you can enter any comments if you wish to.
Click the Add File button
- Once the upload is complete, the File successfully added message will appear.
Click OK.



Client Training Plan

ACSI will work with our partners on a training plan that works best for their needs and schedules.

ACSI would be happy to provide in-person training to the City of Franklin but can also provide training:

- In Person Training at the City of Franklin office
- Via Webinar
- Instruction Manual
- Training at our facility in Nashville

**Training usually takes around one to one and half hours.*

Credit References:

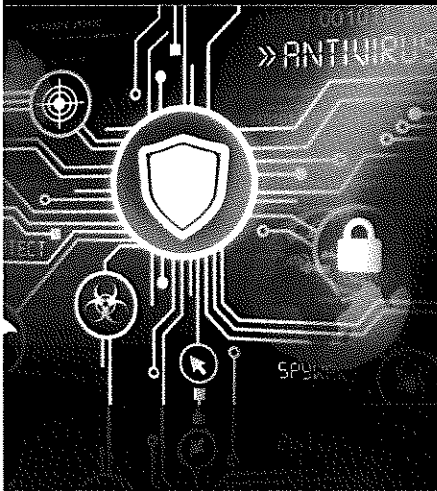
Roydan Enterprises
602 North 9th Street
Manitowoc, WI 54220
Contact: Jan Belitz
800-236-6906

CDW Computer Centers
P.O. Box 75723
Chicago, IL 60675
Contact: Paul Gaimari
312-705-3368

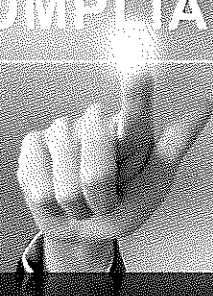


ACSI
Get The Edge

Cost Proposal



COMPLIANCE



COST PROPOSAL

ACSI proposed collection fees for the City of Franklin is as follows:

- ❖ First and Second Placements (Non Court Debts): 19%
- ❖ Court Debt Placements: 19% *(Tennessee Code Annotated § 40-24-105 allows municipality to charge collection costs associated with hiring collection agency to collect the debt for the collection of fines, court costs and litigation taxes in criminal cases.*

If a collection of \$123 is made on a \$123 debt and the collection fee of all monies collected is 19%, the City would receive \$100 and the collection agency \$23. If a partial collection of \$70 is made on a \$123 debt and the collection fee is 19%, the City would receive \$56.7 and the collection agency \$13.30.

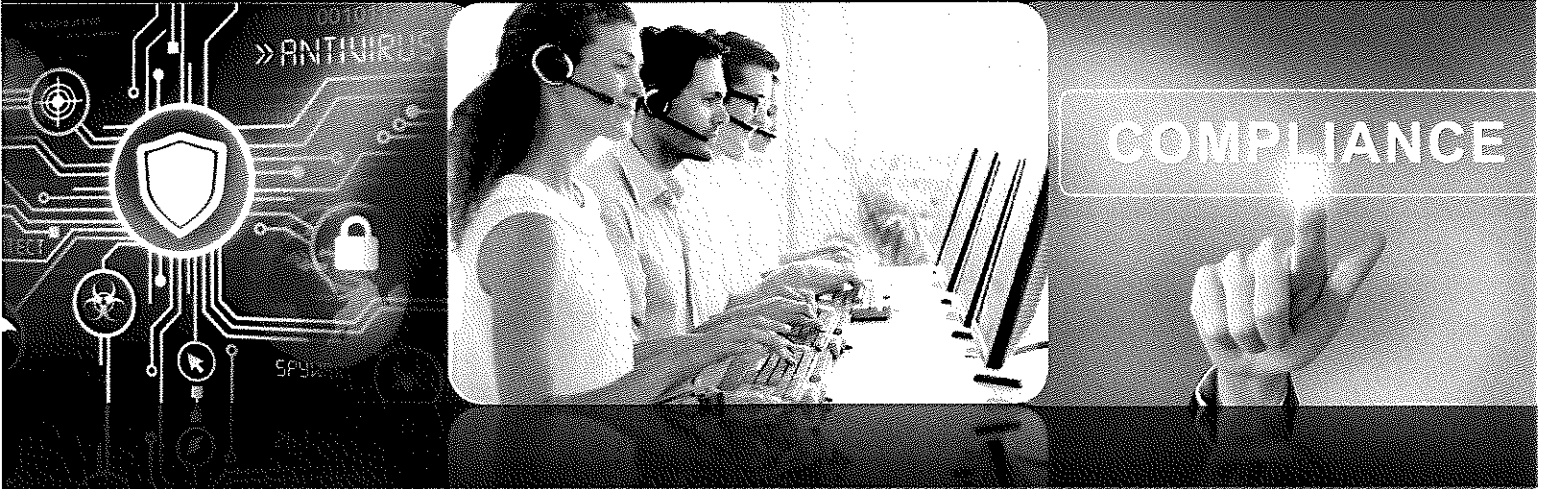
ACSI would add collection costs to the account at time of placement in order for principle placed to be paid in full.

- ❖ Litigation:
33% comprehensive fee, includes court costs and legal representation licensed to practice law in the State of Tennessee



ACSI
Get The Edge

ACSI Collection Agreement



We have not included our standard collection service agreement as we agree to the City of Franklin's Standard Procurement Terms and Conditions contract.

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2018-0083)

Attachment No. 2

CITY'S TERMS

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

1. Assignment/Subcontracting. Neither party may assign any rights or obligations under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, without the prior written consent of the other party. These Standard Procurement Terms and Conditions, and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Vendor may subcontract any portion of the work only with the prior consent of the City, but such subcontracting will not relieve Vendor of its duties under these Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
2. Time of the Essence. The parties agree that TIME IS OF THE ESSENCE with respect to the vendor's performance of all provisions of the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.
3. Taxes. As a tax-exempt entity, the City shall not be responsible for sales or use taxes incurred for products or services. Upon request, the City shall supply Vendor with a copy of its Sales and Use Tax Exemption Certificate. Vendor shall bear the burden of providing its suppliers with a copy of the City's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred.
4. Notices. Any notice provided pursuant to these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, if specified to be in writing, will be in writing and will be deemed given: (a) if by hand delivery, then upon receipt thereof; (b) if mailed, then three (3) City business days after deposit in the mail where sender is located, postage prepaid, certified mail return receipt requested; (c) if by next day delivery service, then upon such delivery; or (d) if by facsimile transmission or electronic mail, then upon confirmation of receipt. All notices will be addressed to the parties at the addresses set forth below (or set forth in such other document to which these Standard Procurement Terms and Conditions apply, or such other address as either party may in the future specify in writing to the other):

In the case of the City:

City of Franklin
Attn: Purchasing Manager
Re: City of Franklin Purchasing Office Solicitation No. 2018_012
109 Third Ave. South
P.O. Box 305
Franklin, TN 37065-0305
FAX: 615-550-0079
E-mail: purchasing@franklintn.gov

In the case of Vendor:

Automated Collection Services Inc. (ACSI)
Richard Blair
2802 Opryland Dr
Nashville, TN 37214
FAX: 615-844-0166
rblair@acsi.net

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

5. Confidentiality and Proprietary rights. Vendor waives any right to confidentiality of any document, e-mail or file it fails to clearly mark on each page (or section as the case may be) as confidential or proprietary. Proprietary rights do not extend to the data created by the City's users of the System; all rights to that data (including derivative or hidden data such as metadata) shall vest solely in City at the moment of creation and City shall retain exclusive rights, title, and ownership of all data and images created therefrom at the moment of creation and utilization, through and including image creation. City may be required to disclose documents under state or federal law. City shall notify Vendor if a request for documents has been made and shall give Vendor a reasonable opportunity under the circumstances to respond to the request by redacting proprietary or other confidential information. In exchange, Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of (i) the City's failure to disclose such documents or information required to be disclosed by law, or (ii) the City's release of documents as a result of City's reliance upon Vendor's representation that materials supplied by Vendor (in full or redacted form) do not contain trade secrets or proprietary information, provided that the City impleads Vendor and Vendor assumes control over that claim.
6. Derivative Works. To the extent that the Agreement contains Vendor's reservation of rights, such definitions and limitations are superseded by the following: "Derivative Work" means a program that is based on or derived from one or more existing programs or components. If the original software is modified to create a new program, a derived work is created. If the original software was designed to accept plug-ins or drivers using a defined mechanism, such a driver or plug-in does not form a derived work. Linking to a library in the way it was designed to be interfaced with, does *not* constitute deriving a work. "Derivative work" is *not* the data that the Licensee inputs, manipulates, modifies or otherwise improves, nor the images resulting therefrom.
7. Arbitration/Mediation. No arbitration shall be required as a condition precedent to filing any legal claim arising out of or relating to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply. No arbitration or mediation shall be binding.
8. Waiver. Neither party's failure or delay to exercise any of its rights or powers under these Standard Procurement Terms and Conditions, or any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.
9. Warranties/Limitation of Liability/Waiver. City reserves all rights afforded to local governments under law for all general and implied warranties. The City does not waive any rights it may have to all remedies provided by law and therefore any attempt by Vendor to limit its liability shall be void and unenforceable.
10. Severability. If any term or provision of these Standard Procurement Terms and Conditions is held to be illegal or unenforceable, the validity or enforceability of the remainder of these Standard Procurement Terms and Conditions will not be affected.

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

11. Precedence. In the event of conflict between the provisions of these Standard Procurement Terms and Conditions and that of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the provisions of these Standard Procurement Terms and Conditions will to the extent of such conflict take precedence unless such document expressly states that it is amending these Standard Procurement Terms and Conditions.
12. Indemnification. Vendor agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin.
13. Additions/Modifications. If seeking any addition or modification to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.
14. Applicable Law; Choice of Forum/Venue. These Standard Procurement Terms and Conditions and any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply are made under and will be construed in accordance with the laws of the State of Tennessee without giving effect to any state's choice-of-law rules. The choice of forum and venue shall be exclusively in the Courts of Williamson County, TN.
15. Termination. Unless the City has indicated otherwise in the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, either party may terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, with or without cause, upon thirty (30) calendar days' notice to the other. Upon termination by the vendor, the City shall be entitled to retain ownership of any and all goods and equipment purchased. Upon termination by the City, the vendor shall be entitled to receive any amounts due as a result of goods and equipment already delivered and/or services already rendered; however, the City shall maintain ownership and control of any goods and

Standard Procurement Terms and Conditions

City of Franklin, Tennessee

equipment purchased. Upon termination of services, whether connected or unconnected to goods and equipment, such services shall be rendered until the conclusion of the 30th calendar day as stated in the notice or until a contractual benchmark has been achieved, or as the parties may otherwise agree.

16. Breach. Upon deliberate breach of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, by either party, the non-breaching party shall be entitled to terminate the contract or agreement or purchase order or other procurement to which these Standard Procurement Terms and Conditions apply without notice, with all of the remedies it would have in the event of termination under section 10 ("Severability") above, and may also have such other remedies as it may be entitled to in law or in equity.
17. Default. If Vendor fails to perform or comply with any provision of these Standard Procurement Terms and Conditions, or of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, then the City (i) may cancel the contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, in whole or in part, without penalty or protest by Vendor; (ii) may consider such failure to perform or comply as a breach of contract; (iii) reserves the right to purchase its requirements from the vendor that submitted the next lowest and best responsive and responsible bid, or the vendor that submitted the next best proposal, if that vendor will still honor that bid or proposal, or to seek new bids or proposals, or to pursue one or more other options available to the City in compliance with its then current purchasing policy; and (iv) may hold the defaulting vendor liable for all damages provided by law, including cost of cover.
18. Entire Agreement. These Standard Procurement Terms and Conditions, including any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply, constitutes the entire agreement between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of these Standard Procurement Terms and Conditions. The terms and conditions of these Standard Procurement Terms and Conditions may not be changed except by an amendment expressly referencing these Standard Procurement Terms and Conditions by section number and signed by an authorized representative of each party.
19. Survival. These Standard Procurement Terms and Conditions shall survive the completion of or any termination of any contract, agreement, purchase order or other procurement to which these Standard Procurement Terms and Conditions apply.

CITY OF FRANKLIN, TENNESSEE PROCUREMENT AGREEMENT

(City of Franklin Contract No. 2018-0083)

Attachment No. 3

CERTIFICATE OF INSURANCE

Certificate Date	Producer	Certificate Number	Certificate Holder	Type of Insurance	Policy Expiration
5/30/2018	Nashville (WE) / AssuredPartners NL 840 Crescent Centre Drive, Suite 300 Franklin, TN 37067	(not indicated)	City of Franklin 109 3 rd Ave. South Franklin, TN 37064	Commercial General Liability	2/22/2019
				Automobile Liability	2/22/2019
				Workers Compensation and Employers' Liability	2/22/2019
				Fidelity/Crime	12/7/2018
				Cyber	7/2/2018
				Professional Liability	5/9/2019



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/30/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

Table with 2 main columns: PRODUCER (Nashville (WE) / AssuredPartners NL) and CONTACT NAME (Odelene Rowland). Includes insurer details like Cincinnati Insurance Company and Travelers Casualty & Surety Co of America.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER: 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Main table with columns: INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation, and Theft/Dishonesty.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Cyber Liability: Company: Lloyds; pol # B1150SOL083170K; Term: 7/2/2017 to 7/2/2018; Limits: \$5,000,000 Each Claim and in Aggregate.

CERTIFICATE HOLDER CANCELLATION

Table with 2 columns: CERTIFICATE HOLDER (City of Franklin) and CANCELLATION (SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC ADDITIONAL INSURED - WHEN REQUIRED IN CONTRACT OR AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. SECTION II - WHO IS AN INSURED, 2. is amended to include:

e. Any person or organization, hereinafter referred to as ADDITIONAL INSURED:

- (1) Who or which is not specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part; and**
- (2) For whom you are required to add as an additional insured on this Coverage Part**

under:

- (1) A written contract or agreement; or**
- (2) An oral agreement or contract where a certificate of insurance showing that person or organization as an additional insured has been issued;**

but only with respect to liability arising out of "your work" performed for that additional insured by you or on your behalf. A person or organization's status as an insured under this endorsement continues for only the period of time required by the written contract or agreement, but in no event beyond the expiration date of this Coverage Part. If there is no written contract or agreement, or if no period of time is required by the written contract or agreement, a person or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

2. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended to include:

1. Automatic Additional Insured Provision

The written or oral contract or agreement must be currently in effect or become effective during the term of this Coverage Part. The contract or agreement also must be executed prior to the "bodily injury", "property damage" or "personal and advertising injury" to which this endorsement pertains.

2. Conformance to Specific Written Contract or Agreement

If a written contract or agreement between you and the additional insured specifies that coverage for the additional insured:

- a. Be provided by the Insurance Services Office additional insured form number CG 20 10 or CG 20 37 (where edition specified); or**
- b. Include coverage for completed operations; or**
- c. Include coverage for "your work";**

and where the limits or coverage provided to the additional insured is more restrictive than was specifically required in that written contract or agreement, the terms of Paragraphs 3., 4.a.(2) and / or 4.b., or any combination thereof, of this endorsement shall be interpreted as providing the limits or coverage required by the terms of the written contract or agreement, but only to the extent that such limits or coverage is included within the terms of the Coverage Part to which this endorsement is attached. If, however, the written contract or agreement specifies the Insurance Services Office additional insured form number CG 20 10 but does not specify which edition, or specifies an edition that does not exist, Paragraphs 3. and 4.a.(2) of this endorsement shall not apply and Paragraph 4.b. of this endorsement shall apply.

3. SECTION III - LIMITS OF INSURANCE is amended to include:

The limits applicable to the additional insured are those specified in the written contract or agreement or in the Declarations of this Coverage Part, whichever are less. If no limits are specified in the written contract or agreement, or if there is no written contract or agreement, the limits applicable to the additional insured are those specified in the Declarations of this Coverage Part. The limits of insurance are inclusive of and not in addition to the limits of insurance shown in the Declarations.

4. The following are added to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** and **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions**:

The insurance provided to the additional insured does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the:
 - (1) Rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - (a) The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - (b) Supervisory, inspection, architectural or engineering activities;
 - (2) Sole negligence or willful misconduct of, or for defects in design furnished by, the additional insured or its "employees".
- b. "Bodily injury" or "property damage" arising out of "your work" included in the "products-completed operations hazard".

- c. "Bodily injury" or "property damage" arising out of "your work" for which a consolidated (wrap-up) insurance program has been provided by the prime contractor / project manager or owner of the construction project in which you are involved.

5. **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 5. Other Insurance** is amended to include:

- a. Where required by a written contract or agreement, this insurance is primary and / or noncontributory as respects any other insurance policy issued to the additional insured, and such other insurance policy shall be excess and / or noncontributing, whichever applies, with this insurance.
- b. Any insurance provided by this endorsement shall be primary to other insurance available to the additional insured except:
 - (1) As otherwise provided in **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 5. Other Insurance, b. Excess Insurance**; or
 - (2) For any other valid and collectible insurance available to the additional insured as an additional insured by attachment of an endorsement to another insurance policy that is written on an excess basis. In such case, the coverage provided under this endorsement shall also be excess.

CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT
(City of Franklin Contract No. 2018-0083)

Attachment No. 4

INDEMNIFICATION AGREEMENT

Indemnification Agreement
a form required of Bidders and Proposers on purchases of services for the
City of Franklin, Tennessee

State of Tennessee)
County of Davidson) SS

On behalf of Bidder/Proposer, Richard Blair agrees that:
(printed name of person signing Agreement)

1. He or she is the Representative of
(Owner or Authorized Partner, Officer, Representative or Agent of Owner)
Automated Collection Services, Inc. (ACSI)
(legal name of entity submitting bid or proposal)

the Bidder or Proposer who has submitted the attached bid or proposal;

2. The Bidder or Proposer is fully informed respecting the preparation and content of the attached bid or proposal and of all pertinent circumstances respecting such bid or proposal;
3. The Bidder or Proposer agrees to indemnify and save the Government of Franklin, the City of Franklin and individual, on or off duty, officers, and employees of the City of Franklin, harmless from any and all losses, damages and expenses, including court costs and attorneys' fees, by reason of any loss, whatsoever, arising out of or relating to or in consequence of the work done in connection with any contract, agreement, purchase order or other procurement to which this Agreement applies, excepting only such losses as shall be occasioned solely by the negligence of the City of Franklin; and
4. This Agreement is made on personal knowledge.

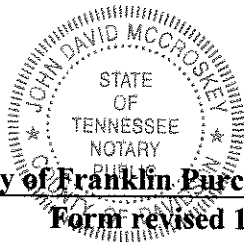
[Signature]
(signature of person whose printed name appears above)

President and COO
(title of person whose printed name appears above)

Sworn and subscribed to before me this 4 day of April, 2018

[Signature]
(Notary Public)

My Commission Expires: January 6, 2020



(Submitted in response to City of Franklin Purchasing Office Solicitation No. 2018_012)
Form revised 12/12/2016

MY COMMISSION EXPIRES:
JANUARY 6, 2020

**CITY OF FRANKLIN, TENNESSEE
PROCUREMENT AGREEMENT**

(City of Franklin Contract No. 2018-0083)

Attachment No. 5

**NOTICE OF CONFIDENTIALITY & PROPRIETARY
RIGHTS**

City of Franklin Notice of Confidentiality & Proprietary Rights

Purchasing Office Solicitation No.: 2018-012

THE CONTENTS OF THE CITY OF FRANKLIN, TENNESSEE PROCUREMENT AWARD MADE PURSUANT TO THE CITY'S PROCUREMENT SOLICITATION REFERENCED ABOVE, AND SOME OR ALL INFORMATION THAT MAY BE OBTAINED IN THE COURSE OF ITS PERFORMANCE, MAY INCLUDE HIGHLY CONFIDENTIAL INFORMATION THAT MAY SUBJECT ANYONE DISCLOSING SUCH INFORMATION TO CIVIL AND CRIMINAL PENALTIES IMPOSED BY LOCAL, STATE AND FEDERAL LAW.

The successful Vendor must necessarily be granted access to public and private information that may be confidential under the Tennessee Open Records Law and other privacy laws.

CONFIDENTIAL INFORMATION

As a result of the procurement award, the parties may provide each other with Confidential Information. For the purposes of this Notice, "Confidential Information" is any information disclosed or discovered in written, graphic, verbal, or machine-recognizable form, whether or not clearly marked, designated, labeled or identified as such. Notwithstanding any other provisions of this Notice, Confidential Information shall not include any information that:

1. is or becomes publicly known through no wrongful act of the receiving party;
2. is already known to the receiving party without restriction when it is disclosed;
3. is, or subsequently becomes, rightfully and without breach of this Notice, in the receiving party's possession without any obligation restricting disclosure;
4. is independently developed by the receiving party without breach of this Notice;
5. is explicitly approved for release by written authorization of the disclosing party; or
6. is required to be disclosed under state or federal law.

Each party agrees to:

1. maintain the confidentiality of the other party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by state or federal law or by a court of competent jurisdiction;
2. restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information;
3. take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing and requiring written acknowledgements from its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and
4. use such Confidential Information only in furtherance of the performance of this Notice.

City of Franklin Notice of Confidentiality & Proprietary Rights

Purchasing Office Solicitation No.: 2018-012

Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the Vendor to use the Confidential Information in the manner and to the extent permitted by the scope of work. Vendor agrees to indemnify, defend, and hold harmless City for any claims by third parties relating thereto or arising out of Vendor's intentional, negligent, inadvertent or unintentional release of City documents or information.

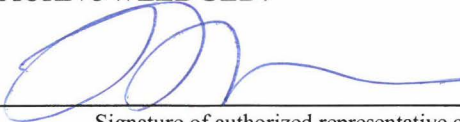
PRESERVATION OF CITY'S PROPRIETARY RIGHTS, RIGHTS OF THIRD PARTIES

The City, including its contractors, agents, employees and any third party manufacturers of any equipment, and the copyright owner of any Non-Vendor Software shall own and retain all of their respective Proprietary Rights in any Equipment and Software. Nothing in this Notice is intended to restrict the Proprietary Rights of Vendor, any copyright owner of Non-Vendor Software, or any third party manufacturer of equipment. All intellectual property developed, originated, or prepared by Vendor in connection with providing to City consulting services in connection with the evaluation of the City's equipment, software, or related systems and services remain vested exclusively in City, and this Notice does not grant to Vendor any shared development rights of intellectual property. Exclusive title to all data input, generated by or transferred into or out of the City's system by City shall remain vested in City.

Nothing in this Notice will be deemed to grant, either directly or by implication, estoppel, or otherwise, any right, title or interest in Vendor's Proprietary Rights. City agrees not to modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, distribute, sublicense, sell or export the Software, or permit or encourage any third party to do so. The preceding sentence shall not apply to Open Source Software which is governed by the standard license of the copyright owner.

I HAVE READ THE ABOVE TERMS, UNDERSTAND THEM AND AGREE TO ABIDE BY THEM UNDER PENALTY OF LAW.

SO ACKNOWLEDGED:



Signature of authorized representative of Vendor



Date

Employee's signature

(to be signed by each employee at the time of commencement of services)

Date