



*ALLEY COLLECTION*

**VALLEY COLLECTION SERVICE, LLC**  
**17431 North 71<sup>st</sup> Drive, Suite 104**  
**Glendale, AZ 85308**  
**PO BOX 520 GLENDALE, AZ 85311**  
(623) 931-4325 (623) 934-4041 FAX

Conditions for accepting accounts from the City of San Luis hereinafter referred to as the "client" to Valley Collection Service, LLC hereinafter referred to as the "agency".

Accounts will be accepted for collections for any amount as long as the most recent date of prior payment or of service is within the statutory period. Accounts may be accepted through any medium, including computer disk, e-mail, computer printout, manually prepared records or other computer technology.

The commission fee is 20% on all collections made, regardless of the amount of the account whether paid to VCS or the CLIENT. This amount can be added on to the amount assigned to the agency with the approval of the client.

The Agency shall implement through collection, procedures to achieve a maximum recovery of debt. These procedures shall include telephone calls, mail efforts and skip tracing procedures whenever necessary. Information concerning a delinquent debtor may be released to a credit bureau or other third parties, unless such release would be contrary to the privacy rights of certain debtors as expressed in the federal and state laws.

Legal action can be taken when all other collection efforts fail. Such action will be taken on accounts over \$2,500.00 only. **HOWEVER, SUCH ACTION WILL BE TAKEN ONLY UPON RECEIPT OF WRITTEN AUTHORIZATION FROM THE CLIENT IN EACH SPECIFIC INSTANCE.**

In the event of legal action being authorized, the Court costs (i.e.), the filing fee, and service or process for the suit are advanced by the Agency and will be deducted from the favorable judgment awarded by the Court. Attorney's fee will be paid by the Agency and, if collected, will be retained by the Agency after the recoupment of the costs, principal and Agency contingency fee.

However, should the Court rule in favor of the debtor because the creditor (client) failed to appear at the hearing to prove a claim against the debtor, any legal fee incurred by the Agency shall be paid by the client.

In the event agency does not file suit within 120 days of suit authorization, the Client, at its sole option, may recall the account from the Agency and Agency shall cease further collection action on the account.

The Agency is an independent contractor under this agreement and shall be liable for its own actions and those of its employees in connection with this agreement. The Agency agrees to hold the **City of San Luis** its officials and employees, harmless from Agency's negligence, errors or omissions or those of its employees, and agrees to defend and indemnify the **City of San Luis** its officials and employees for the same.

The Agency will provide, each month, a computerized report showing the amount collected on each debt during the previous month. A check for the amount due the client will be transmitted at that time.

The Agency will refer to the client any written appeal received from a debtor and will withhold further Collection efforts on that account until a written response is provided by the client.

This Agreement is subject to the conflict cancelation provisions of A.R.S. §38-511.

Under A.R.S. § 41-4401:

1. The Agency warrants its compliance with all federal immigration laws and regulations that relate to its employees and its compliance with A.R.S. § 23-214, subsection A.
2. A breach of a warranty under paragraph 1 above shall be deemed a material breach of the Agreement that is subject to penalties up to and including termination of the contract.
3. That the client retains the legal right to inspect the papers of any contractor or subcontractor employee who works on this agreement to ensure that the contractor or subcontractor is complying with the warranty under paragraph 1.

Accounts are assigned to the Agency for the duration of the credit-reporting period. Accounts may be canceled after that period if the Agency is given 60 days notice in writing, except when the account is being paid, in the process of being paid, or has been authorized for legal action.

**Once the account is turned over for collection, our agency is due its commission regardless of when the account was paid**

*ALL PAYMENTS MUST BE REPORTED TO VALLEY COLLECTION SERVICE PROMPTLY. ANY BILL SENT TO CLIENT FOR COMMISSION DUE MUST BE PAID TO THE AGENCY WITHIN 30 DAYS AFTER RECEIPT.*

[Intentionally left blank, signature page follows]

**I HAVE READ THE ABOVE AND AGREE TO THE RATES AND CONDITIONS:**

	<b>City of San Luis, Arizona</b> <hr/> Gerardo Sanchez, Mayor
ATTEST: <hr/> Sonia Cornelio, City Clerk	APPROVED AS TO FORM: <hr/> Kay Marion Macuil, City Attorney
	<b>Valley Collections Services, LLC</b> <hr/> Signature <hr/> Print Name <hr/> Title