

COLLECTION AGREEMENT

Costal Recovery Solutions herein referred to a "CRS" and _____ herein referred to as the "Company", agree that the accounts placed with CRS are subject to terms and conditions of the following agreement for collections between the parties:

1. Collection activities shall be in compliance with federal, state and local laws and all related regulations. Collection activities will be courteous and businesslike, consistent with image and reputation of CRS and the Company.
2. CRS agrees to accept assignment of accounts for collection upon termination of the Company's active collection effort. Company agrees to refrain from contacting the debtor regarding the account after said account(s) have been assigned to CRS. This will protect Company and CRS from action by the consumer for violation of State or Federal regulations regarding debt collection.
3. Collections made by CRS on the Company's behalf will be deposited in a trust account.

The Company agrees to report to CRS every payment made directly to Company by the consumer immediately upon payment. It is understood that full payment of commission will be recorded on the monthly statement by CRS when payment is made directly to Company.

CRS will prepare a monthly remittance statement of payments received or reported in that month containing accounts names, numbers, and dates of payments received by CRS or the Company, gross amounts of collections, and collection fees due CRS. Collection fees due CRS on any statement to the Company are due and payable upon receipt of the statement to the Company. CRS has the right to offset any such fees unpaid against collections made on the Company's accounts.

CRS will list any payments returned unpaid by either CRS's or Company's bank and will list any adjustment of payment by either CRS or Company on the next statement as a minus payment and collection fee.

4. The Company authorizes CRS to add and retain interest at the rate allowable by law on accounts placed for collection.
5. CRS will not institute legal action on any of the Company's accounts without requesting and receiving the Company's express written authorization to do so. Costs incurred by CRS in instituting legal action will be recovered by CRS prior to remitting to the Company

6. The collection fee on payments made to CRS or direct to the Company shall be _____% of the amount collected. The collection fee will be 50% upon commencement of legal action or if the account is forwarded to another agency.

7. Any account may be withdrawn, without charge, after six months from the date of assignment on sixty (60) days prior written demand, provided account is no in process of collection. A claim is in the process of collection if:
 - a.) A payment has been received within the past six (6) months;
 - b.) Suit has been filed by or on behalf of CRS;
 - c.) The claim has been forwarded to a collection agency out of the area;
 - d.) Payment has been promised, a lien has been filed by CRS, dividends are forthcoming from a bankruptcy proceeding or insurance claim, there has been an assignment for benefit of creditors, or any other similar event that might lead to liquidation of the account;
 - e.) For good cause shown, Company may withdraw at the sole election of Company any claim the assignment of which is detrimental to the interest of Company providing, that Company agrees to pay all actual out-of-pocket expenses paid by CRS, and providing further, that claims withdrawn under the terms of this paragraph will not be reassigned to another collection agency for the purpose of attempting collection

8. The parties agree that each party will assume its own proper responsibility in connection with any claims made by a third party against CRS or Company. If the actions of inaction, including negligence on CRS are the proximate cause of any action brought against Company, CRS will assume full responsibility for the defense of said action and the payment of any resulting judgment. If the action or inaction, including negligence, of the agents, servants and employees of Company are the proximate cause of any action brought against CRS by a third party, the Company will assume full responsibility for the defense of said action and payment of any resulting judgment.

9. This agreement constitutes a one year listing agreement. This agreement may be cancelled by either party upon 60 days written notice and providing further that this agreement will be automatically renewed for year to year unless cancelled in writing 60 days prior to the renewal date. This agreement is entered into by and between CRS and the Company on (date) _____, by their duly authorized and empowered representatives.

COSTAL RECOVERY SOLUTIONS
 P.O. BOX 480
 GROVER BEACH, CA 93483

Firm Name

By _____

BY _____

Title _____

Title _____