



## ACCOUNTS COLLECTION AGREEMENT

RESOLUTION 2009 - 73

THIS AGREEMENT, entered into by and between Plumas Eureka Fire & Rescue (hereinafter referred to as "Client") and Sierra Receivables Management, Inc. (hereinafter referred to as "SRM");

### WITNESSETH:

WHEREAS, the Client wishes to utilize the services of SRM for the collection of certain accounts receivable, and

WHEREAS, SRM wishes to provide such services on the terms herein provided:

NOW, THEREFORE, IT IS AGREED:

1. **Terms:** The terms of this agreement shall be in full force and effect until canceled by written notice by either the Client or SRM. Such written notice shall be delivered by certified or registered mail to the Client or SRM thirty (30) days prior to the termination of this agreement.

2. **Type of Service:** SRM will provide the Client professional collection services consisting of both voice contact and mail contact. This service will be performed in a professional, business-like manner and will be conducted within the regulations set forth by the Federal Trade Commission and the Fair Debt Collection Practices Act.

3. **SRM Fees:** In consideration of the work to be performed by SRM, SRM shall be paid a fee, contingent on recovery of principal dollars collected...

--Past Due Accounts...40% of principal dollars collected

The rates shall accelerate to 50% if legal action must be taken against the debtor or if the account must be forwarded out of state in order to collect the debt.

SRM shall pay, out of its own resources, all costs and charges in connection with said collection, including the advancement of all court costs and attorneys fees as necessary to attempt to receive collection upon any and all said accounts. It is further agreed that SRM shall retain all costs advanced and attorney's fees out of the first monies collected.

The Client shall retain the right at all times herein to recall without penalty, accounts that have been delivered or assigned to SRM when, in the sole opinion of the Client, special circumstances indicate that this should be done (with the exception of: accounts with a promise to pay status, accounts on a current payment arrangement, and accounts within the litigation process). The Client agrees to reimburse SRM for any out of pocket expense on any account recalled by the Client after legal action has been initiated.

4. **Accounting & Remitting:** SRM shall have the right of endorsement on any negotiable item received by SRM on behalf of the Client. All debtor monies will be deposited into a SRM CUSTOMER TRUST ACCOUNT. SRM shall remit to Client on or before the 10<sup>th</sup> day of each month. The Client shall have the right at all times to review the books of SRM as they relate to any of their accounts that have been turned over to SRM for collection.

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Redding, CA 96002

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(530) 224-1360  
Fax (530) 224-1476  
Toll free (800) 237-3205  
www.sierrareceivables.com



No settlement of any account will be made without Client's prior authorization.

5. Form of Suit: When requested by SRM, the Client shall assign to SRM on an individual basis, the accounts for which SRM requires that suit thereupon be filed. Attached hereto is a sample of "Assignment" which the Client shall use to make said assignment to SRM herein. The Attorney (Manuel J. Garcia) shall reserve the right of final decision as to whether any such account shall be brought to suit.

6. Indemnity: SRM will hold Client harmless against any and all losses, causes of action, court costs, or attorney fees resulting from or required as the claim of legal proceeding of any type whatsoever resulting from any act of omission by SRM in connection with any debt turned over from Client to SRM.

WHEREFORE, the parties hereto have executed this agreement on the date herein written.

DATED: 2/11/09

  
Paul Matthews  
Plumas Eureka Fire & Rescue

DATED: December 19, 2008

  
Noivette Hon  
Sierra Receivables Management, Inc.

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