RMEx - THE DEFINITIVE MANAGEMENT GUIDE

What RMEx is, and isn't

RMEx is modern, intelligent collection technology. It is a complete collection platform for any type of receivables management. If was founded on the basic premise that good collections is all about superb follow up. Unfortunately, it is impossible to diligently follow up on large volumes. So why not use the great power of modern computers to manage your accounts? That would mean making a computer think like a human collection manager and making decisions that an expert would traditionally make! Yes, that has been done.

Why do we claim that RMEx is intelligent? Every situation that could have multiple outcomes can be set up within the system, *with each outcome being decided by RMEx as opposed to a human*. In

collections, outcomes are decided based on far more than a few things like the client, age of the account, balance or score. What is the personality of the consumer? How skilled is the agent? Can we take legal action? What is the recovery rate for the client? These are far more complex to evaluate, and if considered, would be almost impossible to implement at the individual account level. It would either take too long, or the average collector would lack the skill set to consider all the possibilities.

Enter intelligent software - the type of software that makes a decision on granting credit, calculates the fastest driving route or plans a multi-city trip on a travel site. All of these technologies required powerful computers. We did not have that computing power at affordable prices 25 years ago. We have it today. Quantrax leveraged that computing power with new ideas for collection software design to come up with RMEx.

RMEx is *not* technology that drives itself. Conventional collection systems allow you to enter information and the results of collection activities. Humans make the decisions and the software works since someone is always steering it. Unfortunately, humans make bad decisions. If a collector chooses to talk with a consumer 25 times without ever receiving a payment, that can often go undetected.

Intelligent software like RMEx, has no human brain. The intelligence must be supplied by humans through knowledge bases that store rules, circumstances conditions and potential outcomes. That knowledge has to be continuously supplied and maintained by humans. While lazy or inaccurate humans can also produce results, a smart system without a brain is a serious liability. RMEx requires:

- Proactive thinking
- Management with vision beyond traditional methods
- A desire to change the way you have done things for ever
- A genuine interest in replacing popular and comfortable manual control with automation
- New skill sets that can be groomed to play the role of knowledge engineers

“A smart system without a brain is a serious liability”
QUANTRAX CORPORATION

How this guide is arranged?

We decided to present this guide in a logical manner. The target audience is those who are responsible for setting up the strategy for the workflows and associated operations. The idea was to answer questions like:

- What can we do with this system?
- The system is very flexible and users can define what they want, without any custom programming. What are the options they can set up?
- Helping you to understand the multi-company architecture
- Setting up a client is important. What flexibility and features are offered?
- What about collectors? How are they set up and what roles can they play?
- What account information do we work with? What if you do not have designated fields for some information?
- What are the features related to handling multiple accounts for a single consumer?
- What are your options for generating mail?
- How can we store and manage the different phone numbers (consumer and third party) that may exist on a consumer's account(s)?
- What about phone calls using a dialer?
- How do we suspend or give up on accounts?
- How do agents "work" each account? What control can management exercise over how and when accounts are worked?
- How does management monitor agent productivity and results?
- What about payments and balance adjustments?
- What reporting do we offer our clients?

"The real problem is not whether machines think but whether men do."

B.F.Skinner, behaviorist and author, in his 1969 book
'Contingencies of Reinforcement: A Theoretical Analysis'.

- Can we credit report to all of the bureaus?
- If we are an agency, how does remittance processing work?
- What if your clients want to access the system and look at information?
- Mobile computing is likely to change the way we do everything. What is RMEx's mobile strategy?
- What compliance features are available?
- What does this system define as clerical functions? What flexibility is offered?
- What happens during nightly processing?
- What happens at month-end or the end of the year?
- How is information archived?

Table of contents

What can you do with this system?

RMEx is a fully-featured collection platform for first or third party collection operations. The system will replace any existing collection software you may currently have. Accounts receivable management and collections are not new industries. They have existed and been automated for over 30 years. So asking “What can you do with this system?” has to be answered within that context.

This system will allow you to automate the collection process from the time you load an account through its resolution and removal from your system on some later date. The truth is that every other collection system will also do that for you! What you can additionally do with RMEx is “program it” to think and manage every account and process, allowing a machine to make decisions you would traditionally have made yourself. How did RMEx evolve? It was similar to taking an airplane designed 30 years ago and adding an “auto pilot” feature to its controls.

Most collection software developers have concluded that additional automation is required because of higher volumes, lower collectability, lower fees, due diligence demanded by clients and modern compliance requirements. The average collector simply cannot remember client requirements, settlement rules, state restrictions, credit reporting options and management guidelines for giving up on an account. Let us even suppose that some agents can handle that challenge? Can they do it consistently and accurately with 250 accounts they look at every day? No.

This is where RMEx wins big. We simply changed the way the game was being played. Rather than having collectors take on a role they are ill-equipped to play, why not define their job as talking to consumers at phone numbers *we decide they should work*, and asking for payment or “resolving” the accounts that cannot or will not pay? And who takes care of the client requirements, settlement rules, state restrictions, credit reporting options, disputes, the option for legal action and management guidelines for giving up on an account? RMEx. How does it do that? How does Expedia present all the possible flight options sorted by price or duration? How does Google Maps know you have made a wrong turn and redirect you within seconds of your mistake? It is done by intelligent software (also called expert systems) designed to think like a human expert. Interestingly, most of these solutions perform far better than the human experts they were designed to work for! Can intelligent collection software outperform your best collection manager? The answer is “Yes”. Today, millions of accounts are reviewed by RMEx every day, with decisions being made by the system to take legal action, send specific letters, have a manager review the account or give up (close the account).

This manual will expand on the theory and use of intelligent software in collections. It will describe how each area of the business can be managed by software, as opposed to different decisions (often incorrect) being made by each individual collector.

Transferring important decision-making to a machine offers several benefits.

- Machines to not forget to do something they are correctly programmed to do
- They are consistent. They will do the correct (or wrong) thing every single time
- They do not tire or forget their instructions
- They do not need time off, or a back up for when they are sick
- They can quickly look at hundreds of conditions and come up with the correct conclusion, (assuming the computer was programmed correctly of course)
- Using a computer to make decisions can cost less than having human experts to do the same job
- Unlike human experts, computers will work throughout the day. Decisions can even be made while all the human experts are asleep

While these are very positive and are excellent reasons to invest in machine intelligence, what about the disadvantages?

In an industry that is still dominated by experience, asking a manager to transfer his or her thinking to a machine is easier said than done. Even without the fears of job security, simply suggesting that a computer could do a better job than an experienced manager has to be a great challenge! With the new possibilities and great potential, companies have an excellent opportunity to rethink their existing business models. Unfortunately, that takes outside-the-box thinking. Management is often reluctant to make changes when they have had successive years of profitability. Why risk breaking something that is not broken? There is also a practical difficulty in documenting what has come naturally for many years. You may instinctively know what to do with a mid-score, $300 account that has been contacted four times, has had no payments but had two promises that were broken. If you had to decide on what should happen with every account that meets these conditions, and had to define all of the possible conditions, exceptions and action to be taken in each case, you may struggle to make a decision because different people will have different ideas and insist that they were correct.

How do we break through these challenges? The benefits of this technology are instantly obvious to most collection experts. To successfully accomplish what is possible with this system, the following approach has always worked.

- It always starts with a commitment to change by the most senior management
- Take small steps. This makes people comfortable that they are not going to lose their jobs, and it builds confidence in the system
- Taking small steps, gives management the flexibility and time to make decisions about

defining the rules for long-term machine-thinking and decision-making. Getting it wrong the first time and making adjustments based on what we learn is an acceptable (and often necessary) path for implementing intelligent software.

Getting back to the question of what this system can do - It can probably do anything you can think of doing in accounts receivable management. You have the opportunity to automate processes. You can set up complex decision-making that supports collectors and management, as accounts are worked each day. This thinking and decision-making can also be applied to accounts that are not worked for long periods of time. The thinking can happen when an account is worked, or behind the scenes. As an example, you can have the system think shortly after a collector has taken a promise. Has the consumer made other promises to pay? Have those promises been kept? If we have taken more than 2 promises, what about immediately transferring the account to a stronger collector who can insist on a credit card or electronic check? With RMEx, you are only limited by your imagination and setting off on a path of change can have a significant and positive impact on your collection business.

What is the flexibility that allows you to do so much with no custom programming?

All collection systems are flexible. Unfortunately, the flexibility often comes from managers and supervisors having to do many things manually and often manipulate data outside the system. Take the example of what happens when mail is returned without a forwarding address? What are the possibilities? You probably want to do some or all of the following.

- Mark the address as bad and stop future mail
- Increase the fee (commission rate based on the client)
- Transfer the account to an internal skip tracer depending on the balance
- Schedule the account to be sent to a skip tracing service
- Close small balances with low scores

What is a small balance? Would you change your thinking if there was a phone number on the account? Should you wait to see if that number is good? Does your decision depend on the recovery rate for the client or if you can sue the account? What if you had multiple accounts for the consumer and one of them had a potentially good address that was different from the

address on the mail return account? Processing returned mail is not a very complex area of the business, but if you want to do it correctly, you must consider all of the scenarios discussed.

Would you trust a clerical person to make these decisions? No. Can you afford to have an experienced collector reviews every piece of returned mail? Certainly not. What are your choices? In most companies, the account is marked as returned mail and nothing more happens at that time. What if you could teach your system to consider hundreds of combinations and possibilities every time a mail return was processed? What if you could have the system always make the *same* decisions you would make under each of those different circumstances? Remember all you have to do is process a returned mail file from your letter vendor, or have a clerical person with no collection knowledge scan or enter the returned mail information. Your intelligent software (thanks to your knowledge) could do the rest. It would do it correctly regardless of the number of letters returned or the time of day. And what happens if three months later, you wanted to change the balance that qualified for the skip-tracing process? You would not contact a programmer - you would simply go into the returned mail parameters and change an amount.

This is the flexibility we refer to when we talk about RMEx - Extreme choice and the ability to change business rules *without the need for any custom programming.* What if you could do this for *all* areas of your business, even the areas that required far more difficult "thinking" than returned mail? You would be taking advantage of the great potential of intelligent software for collections. This is what RMEx offers you.

Let us think about some other areas that could use this great flexibility. These areas will be presented in more detail within this document.

- What areas of the system can users access and what are they are allowed to do? (Some users may be allowed to update a client profile while others may be restricted to inquiries)

- Codes you may use to give up on accounts (close codes). E.g. PIF, skip, deceased, refused to pay. How are they coded and how does each close code affect system behavior (E.g. Is that close code included in the combined consumer balance that is displayed to a collector? Do collectors get credit for payments? If so, for how long after the account was closed?)

- How are new placements assigned to dialer pools?

- How are commission rates (fees) calculated? Can they change due to circumstances (E.g. skips, legal accounts)?

- What is the letter and phone call strategy for new accounts? Is there the need for an automated series of letters and/or phone calls? What happens if you make phone contact with the right party during the letter series?

- What about the content of letters? Do they pertain to one account or multiple accounts for the same consumer? What type of information prints on the letter? (E.g. individual account balances, combined (linked) balances, payment arrangement information, post-dated check

information)

- What is each letter used for? Should we stop this final demand requested today because the account is less than 30 days old? Shouldn't we stop this letter because it is for confirming a payment arrangement but the payment arrangement has not been set up?

- What are the rules for automatically linking new accounts to existing accounts? What happens when accounts link? (E.g. Should we change the 2-letter series to send only one letter, because of a low scoring account)

- In this day of automation, do we want our collectors to remember what letter to send out for each client or what letters should not be sent in a specific state or city? Ideally, we would like to have a letter code that represents a requirement or circumstance (E.g. Promise was broken and no contact, final demand, warning of legal action etc.). Collectors will be trained to always request the *same letter,* based on the circumstances. What if the system could look at the account and send different letters (or stop them) depending on the client or state requirements? Even better, what if the system could decide when it was time to send a letter?

- How do you handle validation notices? Can the system automatically send the first notice after the first "contact"? What if the validation notice is returned?

- No system can accommodate every data element and condition. How can we allow you to set up any condition or circumstances (E.g. Insurance was denied or consumer is on active military duty) and have the system use this information in its decision-making? We have user-defined "description codes" that store useful information and can be used in thinking and decision-making.

- Based on where your company is located, what is considered "local"? This could be used to charge clients a higher fee for working certain accounts.

- You need flexibility to set up balances for the consumer. You cannot combine what is owed into a single balance. Depending on the type of client, you could have the balance made up of different balance types (E.g. principal, interest, collection fees, cable box charge). These balance types will need to be treated differently. As an example, court costs set up by your company will not appear on a client's remittance statement. On the other hand, court costs paid by the client will need to be collected and remitted to clients. What balances should be used for calculating interest? This flexibility must be controlled without any custom code.

- You need all payment arrangements to be managed by the system. How would you define the minimum payment required based on the total balance? When do you send reminders and late letters? Is there a minimum due for a letter to be sent? What do you do when a payment is missed? Would you send it to the collector for follow up or send a late letter?

What about sending the account to a junior collector if any prior payments were made, but using an experienced collector if the first payment was missed?

- Every collection system uses a set of payment codes to differentiate transactions (E.g. Paid to us, paid to client, NSF to us, charge costs etc.). Are there times when a specific transaction should automatically trigger some type of action? E.g. An NSF sends the account to a special desk as soon as the transaction is posted.

- Creating queues for collector or dialer pools is a key part of any collection system. Different companies have different strategies for this. We have accounts classified into a few processing types (E.g. New business, broken promises, new business, home phones). Within each of these, it helps to separate the accounts into key 'sub-categories' (E.g. Early morning calls, pending legal action, suit filed, has insurance etc.) This area should be user-defined.

- What happens when returned mail is processed? How can the system help you by thinking about each account and what we need to do?

- You need to be able to track what it costs to work an account. This can be used to evaluate clients and give up on accounts based on effort, letters to date and potential fee. How do you allocate costs for each item of work?

- What are your rules for credit reporting? How do you recognize a dispute or bankruptcy? Do you want to use exception or balance reporting?

- Sometimes you want to plan strategy and produce reports based on the type of paper you work. How do you want to classify your clients? (E.g. medical, retail, newspapers, student loans)

- What about classifying accounts based on their current collection status? E.g. New placement, contact made, payment arrangement set up, looking for insurance, skip - attempting to locate, dispute) This information could be used to analyze the active accounts and understand where they are in the collection process along with the value of those accounts.

- Do you want to give your clients access to your system to view their accounts? What do you want to allow them to do? Enter accounts? Enter direct payments? Would you want them to view your notes?

- You do not want your collectors to use "Post-it notes" to remind them that certain states require you to tell the consumer that the call is being recorded. In some states you cannot take multiple electronic check payments. What if you should not call into a state on a certain day because it is an important local, religious holiday? What if you could set up all these state rules and have the system make sure you complied with them?

- We know all about state rules. What about cites and municipalities? They are coming up with their own rules and you need to be able to define these "areas" and set up collection rules for these areas (E.g. letters you can send, call frequencies and rules for leaving messages)

- Our system, like others, does not have a designated field for every possible data element. You can set up user-defined windows to store non-standard information (E.g. Itemized statements, a list of the video titles that were not returned to the client, the vehicle information for the asset you are trying to recover money for). You want to be able to store this information and make decisions based on any specific data element.

- As long as cell phone legislation exists, you will want to scrub for cell phones. What do you do when you find out a landline is a now a cell phone (or vice versa)? What do you do differently about a work number that is a cell? What about third parties?

- What if you could classify every client, collector and account? How would you do that? For example - large hospitals, small hospitals, experienced female collectors with a southern accent, inexperienced collectors, large balances etc.) This could yield interesting results and analysis that could show you as an example, that female collectors were much more productive for a specific client.

- You want to track complaints at the account level. What are the variables? E.g. what are the types of complaints you want to have unique codes for? What are the different status codes you want to assign as a compliant moves through the internal process?

- What are your rules for archiving accounts after they have been closed for an extended period? The following relate to the use of your dialer, as opposed to your core collection software.
- You need to classify your phone numbers and have different decisions made based on that classification (E.g. Home, work, cell, neighbor, relative). As an example, you would probably want to have the system disable a third party number after two attempts or one contact. Consumer numbers could be disabled after 7 attempts without a RPC with the consumer.

- Do you want to set up do-not-call numbers? You should be able to do this at the account level, or for large employers who do not want you to call their staff during office hours.

- What are the broad dialing rules you want to adopt? For example, when can you call toll free numbers or area codes and prefixes that have no time zone value on your data base? Do you want to call home before work for certain states?

- Do you have a policy for limiting calls to consumers, phone types (home, work, cell or third parties) or individual numbers during the day or for different periods of time? Do you apply these rules for states, cities and clients?

- What about messages? What are the rules for leaving message though an IVR or an agent?

- How do you call cell phones? What dialing mode should you use and how do you build these campaigns?

- Do you want to mask (not display) phone numbers when they should not be called? (E.g. out of time zone or you have already made as many calls as are allowed). This will stop an agent from using a desk phone or a personal cell phone to call a number they should not be calling.

- Assuming you could automate the way you try multiple phone numbers, so they are attempted the *same number of times and are tried at different times in the day,* what other flexibility would you require? E.g. Would you try the home and cell before you try a work number? When would you attempt third parties? What type of campaign would you use for cells with permission?

- Your dialer will return different "disposition codes" based on the call outcome (E.g. number is disconnected) What do you want to do based on each different outcome?

- What are your local area codes? This can be used to route long distance calls in the most economical way.

- If consumers can access the system via an IVR (E.g. a payment portal) what are the rules? (E.g. No access to legal accounts or if the balance is over $3000)

- Your accounts must be analyzed every night and placed in queues and campaigns to be worked. For most companies this is a task that is manual and almost always performed by experienced managers or supervisors. What if you could automate this and create a few campaigns with *exactly what you needed in each campaign*? E.g. Home phones and high scores, home phones for priority clients, paying accounts, low scores with home phone etc. How would you group all of your accounts into a few small campaigns?

Please read the above section again. We are talking about allowing you to automate *all* of those areas. With RMEx, you can teach the system to think and make decisions, as you would, under *each of those circumstances.* Yes, it will take education and effort. But spending an hour to force 100 people to always do something the correct way has got to be time well spent! This is the great potential of this technology. We hope you see how it will give you extreme flexibility without custom programming.

Understanding RMEx's multi-company system

RMEx is a "multi-company" system. The business need for this architecture is created, as an example, by the need to be able to set up a company where you may collect in the name of the creditor (called early out in medical collections) and then move the account into bad debt (full collections). Many companies will prefer to logically separate those accounts with different rules for managing them in addition to different collectors who would work them. Different companies would be set up within the same database. In some systems, different companies have to be set up in different databases (or directories). This is logically and practically complex. Our "single data base" architecture offers several advantages. With options for restricting access to a company, users can securely access information while setting up completely different processes and parameters for each company.

The following are some key points about this model.

- Business rules and system knowledge can be set up and stored for each company. Once set up, the knowledge can be copied into a new company

- Some information can be shared across companies. For example, you can define a “standard” validation notice that will be used for all companies. If company 03 needed a slightly different format, you could set up a special letter for company 03.

- Accounts in different companies cannot be linked and viewed as a group

- We have reports and inquiries that show summary information for each company (E.g. Payments for the day)

- There are consolidated reports that allow individuals with the appropriate security, to run options that show results from multiple companies without running separate jobs for each company.

- Users who have access to multiple companies can change companies without signing off and signing back on with a different user code.

- You can electronically move accounts between different companies. A good example would be transferring an account from early out to bad debt after 60 days.

- In the example above, we can produce reporting that looks at both companies and generates a combined picture!

- Some processes (E.g. month-end reset) can be run for a single company or for all companies, by using a single menu option

- There is *one* nightly process that runs efficiently across all active companies and caters to individual requirements too (E.g. Reports for company 01 could be sent to a different printer from the reports for company 02)

This architecture is powerful and flexible. Do take care to set up new companies only when it is justified! Usually there is a good business and / or operational reason. Note that some larger clients will insist that their data is not stored with information from other clients. In such a case you will have to set up multiple data libraries. Users will need different User ID’s to access the different databases. Our system supports this model too.

Setting up a client is important. What flexibility and features are offered?

It all begins with a client. Whether you are a first party or an agency, each client, business entity or provider needs to be managed, and your performance analyzed, independent of other clients. With RMEx, you can use our sales module to set up information even before you have made your sale. The sales module allows you to set up prospects and associate them with sales people. In addition, the sales module allows you to:

- Follow up on prospects
- Update the system when sales people contact, meet with or send mail to prospects
- Set follow-up dates and present a prospect based on that date, or other fields such as zip code, competition or date last worked
- Sales people can also work existing clients. Lists can be sorted by date last worked, placements, payments, fees or last placed date. Summary statistics can provide useful information if a sales person is with a client or on the phone.

The client has decided to place business with you. You need to set up the client using the client update option. There are several pages of information to enter. This information can be summarized as follows

- Basic information such as name, address and phone number
- Different client codes can be grouped for the purpose or reporting or processing (E.g. small hospitals that are part of a larger group). Another example would be different client codes for inpatient, outpatient, emergency room etc.
- There is an additional classification that can be used for reporting. The options reporting area, reporting division and consolidation code allow you to further group clients for reporting purposes. For example a client with 30 hospitals and client numbers may need analysis by western and eastern states. The consolidation code even allows client codes from different companies to be grouped together.
- System parameters to be used for linking, letter and call strategy
- Collector assignment rules
- Information about remittance statements
- What reports do you want to send your clients and at what frequency?

- Should they print, be e-mailed or sent to a report server?
- Information about the client that you want collectors or management to view when they are accessing accounts (E.g. Client's mailing address or working hours)
- Options for calculating interest
- Special balance types (E.g. cable box fee or late charges) or payment arrangement rules for the client
- Information to be displayed (pop-up window) when the client's accounts are displayed
- If credit cards are taken on behalf the client, the card types that are allowed
- Settlement rules and options
- For larger clients, you may need to set up security where only certain individuals are allowed to view and work accounts for a specific client
- How you can map and use special information with "User-defined windows"

In addition there are many parameters that offer compliance and automation options, reducing the burden placed on the average collector to remember hundreds of details. Once the client is set up, new accounts can be posted. The system will look at the client profile and make decisions based on the parameters set up.

The role of the collector within RMEx

We know that the traditional ownership model (sometimes called “cradle to grave”) still exists. It is still popular and easy to understand. New accounts are assigned to a collector and usually worked by them until they are resolved. In a different model, accounts would go into a pooled environment and be worked using a dialer. To motivate individuals, temporary ownership would be given to collectors who made a positive contact. As long as the account was paying, they could keep the account and receive credit for payments. If payments stopped, the account would go back into the pool at which time a different collector could work it and collect it.

As with all of our system, our design for managing collectors is based on a specific business vision and collection model - efficiency. We considered the following and made decisions based on the following areas.

- Anyone can and may need to “work” an account (E.g. a collector, a skip-tracer, manager or client services representative). We define everyone as a “worker” and allow them to be set up as collectors.

- Since some “workers” can make a positive contribution towards securing a payment (E.g. an insurance biller or skip tracer), should we not allow them to share payment credit (or take some credit away from the owner)? We therefore created a “split collector code”. When a worker did something important, their collector code could be moved into the split collector field and future payment credit would be shared between the owner and the split (based on a user-defined percentage).

- For the ownership model, we allow assignment rules to be set up based on the client code or type of account (called the ACat code in RMEx). Within this flexibility we also needed options to make decisions based on:

    - Balance (You should be able to define small or large balance collectors or define the balance ranges each should receive)

    - The number or value of accounts the collector already has. Our proportionate assignment option will look at each collector’s capabilities and current account levels, and give more accounts to those who need them. If an agent was not resolving their accounts, why would you give them more accounts? We also need the ability to give out accounts “equally” (similar to dealing out cards) regardless of existing collector inventories

    - The existence of a phone number, because you may have very different strategies for

accounts without phones

- In the pooled environment, we decided to offer the same flexibility as the ownership model. The difference is that instead of selecting from a group of collectors, you would assign the accounts to a single collector code that represented the “pool”.

That is an overview of collector codes and how they are associated with an account. There is more. When you set up an owner or worker (remember that everyone who works accounts or needs a “work queue” should be set up as collector) you need to set up some additional information.

- You have the option of setting up phone numbers and “a working name” that can be used on letters

- There are many options that relate to linking (when new accounts can be matched to existing accounts). In RMEx, you can define a collector as a small or large balance collector. This gives you the ability to make sure that all of the linked accounts for a single consumer end up with the same collector (Different collectors calling the same consumer is not cost-effective, efficient or good for compliance). For example, if a large balance links to a group of small balance accounts, you could reassign the small balance accounts to the large balance collector.

- You could define a collector as an insurance collector and tell the system that insurance accounts should only link to accounts that are with insurance collectors. This will allow you to keep self pay and insurance accounts for the same consumer, separately linked in two different groups, and worked by different collectors. As the status changes from insurance to self pay, the accounts could be unlinked from one group and automatically moved into the other group.

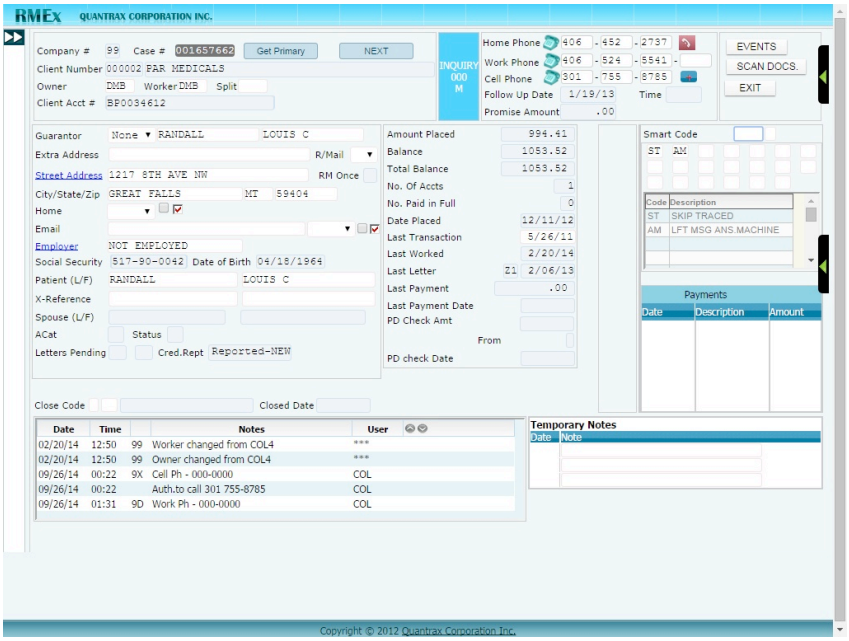
- You need to associate each collector code with a User ID (This relates to a unique user and sign on in the system). Each user ID will be associated with a unique work queue within RMEx. You can associate multiple collector codes with a single User ID. As an example, if a collector leaves, you could temporarily change their User ID to that of an existing collector. The accounts for the two different collectors would then be added to the same queue, and can be worked by one user signing on with a single User ID.

Within the system, there are options to change the owner, worker and split collector codes based on agent activity or changes in circumstances. There are options to move large groups of accounts from one collector to other collectors or dialer pools. “Smart codes” are used to work and notate accounts, and they can be applied by users or by the system. These smart codes can think and make decisions. As an example, when an account is worked in a pooled environment, a positive contact (for example a promise to pay) can change the owner code to that of the agent who took the promise. The system could monitor that account and change the owner code and move the account back into the dialer pool if a payment was not processed every 40 days.
There are many options to analyze accounts based on collector codes, to target and work accounts for specific owners or workers. Collector motivation, management and compensation will always be a very important part of collections. The features in RMEx reflect a vision of proactive business, and allow you to quickly and easily change your business model with regard to the area of collector

productivity.

Account information - the heart of your collection efforts

Your business is about collecting and resolving accounts. An “account” is defined and valued based on the information you have about that specific debt. Who provided the service? When? Who is the consumer? What is their address? What about potential phone numbers? Are they good? Have any payments been made? The better the data you have and the easier it is to access, the greater are your chances of responding to questions and resolving an account quickly.



RMEx’s was designed to have designated fields for the data elements that would be described as “standard” in the industry. Since RMEx was designed to be able to collect across multiple industry segments (E.g. retail, medical, financial, student loans), we have created data elements and screens to accommodate several popular types of accounts.

And what about non-standard information for which we do not have designated fields? We can store, print and make decisions by adding this information to “User-defined windows”.

Let’s summarize the information we can store about each account. Much of the information will be received at the time placement while other information will be obtained and updated as accounts are worked.

- Consumer name, address and phone numbers. Typically, you would receive a home, work and/or cell number. In some cases, additional phone numbers may be obtained. These may be for the consumer or third parties such as relatives or associates. We can store as many numbers as you have, along with phone codes to indicate the type of number (possible home, cosigner, nearby etc.) You can also store an alternate name (AKA)

- Consumer date of birth and social

- Spouse information

- POE details and bank name
- Up to three cosigners, their names, addresses, socials, dates of birth and phone numbers
- Placement amount and a breakdown of that amount into different balance types (E.g. Categories such as principal, interest, collection costs and late fees)
- If interest is calculated, interest rates are maintained at the account level
- Commission rates (fees charged) would be taken from the client or special fee rules and maintained at the account level
- The account number assigned by the creditor (client account number)
- The service date or last transaction date (can vary depending on the type of business). A date of last payment to the client
- For medical accounts, we can store patient name in addition to SS# and DOB of patient
- Information on 4 insurance companies (for medical accounts) and the insurance status
- Summary information about a medical bill (E.g. financial class, patient type, total charges, insurance adjustments etc.)
- Information used for insurance billing (We can reprint the HCFA 1500 and UB-04 insurance forms)
- We have special screens to handle utility, commercial and bad check collections
- Additional contacts (E.g. relatives, friends)
- Notes from the client's system
- User-defined windows can be created to hold any non-standard information not described above

The above information is usually obtained at the time of placement. The following data elements are usually obtained or set up after the accounts are worked.

- Bad addresses (when mail is returned) There is a return mail flag which is used to stop future mail
- Skip tracing information (usually from in-house work or an outside data source)
- Up to 5 external scores. You can also generate an internal score or a more powerful dynamic

score that can change based on hundreds of data elements, circumstances and collection results

- Credit reporting information useful in collecting an account
- Information about an attorney or multiple attorneys who may be representing the consumer
- Legal information to prepare for a suit, along with information obtained after a suit is filed. E.g. Defendants, places of employment, bank information, attorneys, court information, case information; judgment, service and deposition information, suit details in addition to garnishment data.
- Payment arrangements - We support recurring payments once a month, two times a month or every week. You can also set up arrangements that involve different amounts to be paid at irregular frequencies or time intervals. Payment arrangements can be backed by a checking account (direct checks) or a credit card.
- Bankruptcy and deceased information
- Settlement offers and the status of any pending settlement
- History of address changes and phone numbers removed or disabled
- Payment history since the account was placed
- Notes added by users and the system (audit notes)

You can see that RMEx offers you many options when it comes to the information you can use to track and manage accounts. Along with features offered by the system such as sub-queues (QCat codes), account categories (ACat codes), description codes, account status and close codes, you have many powerful choices when it comes to managing your collection operation using RMEx.

How we handle multiple accounts for a single consumer?

Collection systems would be very simple if there were no multiple accounts for a single consumer! In RMEx, we call it linking. In other systems it has been called tied, companion or packet accounts. Managing linked accounts creates a unique set of challenges. Many software platforms have not even begun to ask the questions they should be asking. As a result, there is little automation when it comes to efficiently working linked accounts, resulting in a loss of productivity and performance. Let us look at some of the requirements we should consider as a result of having to deal with linked accounts.

- How good is the methodology for linking new accounts to existing accounts? If your system

can accurately match new accounts to existing consumers, this can offer great savings in the areas of mailing, phone calls and the time spent by agents working each account, as opposed to the consumer. Missing the opportunity to link accounts early is a common problem. Perfect matches are automatically linked while possible matches can be manually linked after review. The goal is to have very few "possible matches" compared to "perfect matches". RMEx uses several advanced techniques to ensure that accounts link as accurately as possible. For example, we have "fuzzy logic" that will give points to the name match for John Anderson and a J. Anderson, while a Mary Jones and an M. Jones would be considered different people.

- In a well-designed system, linking would be attempted the day (or night) the accounts were posted. In some circumstances, you would even attempt linking and call the account as soon as it was loaded. Linking is an important decision point, and we allow you to make important decisions as soon as linking is attempted. As an example, you may have set up a 2-letter, 3 phone call strategy for a new account. If a new account links to an existing account that has a RPC but has never had a payment in 2 years, you may want to send one letter and give up on the account. Perhaps you want to count the number of existing accounts for the consumer? Have they been credit reported or sued in the past? With RMEx you can train the system to think and make decisions before anyone has touched the account. How do you work efficiently without such a feature?

- You may want to specify that linking should only occur within the same client type (E.g. medical, bad checks), the same client code or the same client group. You may also want to limit linking to matching up with other accounts of the same type. For example, you may want to create two groups per consumer - accounts with insurance, and self pay accounts. You can set up collector codes so that insurance accounts will not link to self-pay accounts and vice versa.

- During the linking process (within night processing) the system will produce a report of accounts linked as well as a possible linking report. If an account linked but could also have been linked to a different linked group, this will also be highlighted. Perfect links that need to be reviewed (E.g. name or social does not match) are also shown on the reports. The possible links report can be used to link accounts after they are reviewed. There is a unique reference number that can be used to identify possible links from the report for input to the manual linking program.

- Successful linking will result in the need to change collector codes, so all of the accounts are with one worker or in the same dialer pool. RMEx gives you several options to manage this.

- This brings us to the all-important concept of a 'Primary account". RMEx is an account-based system, as opposed to being a consumer-based system. In a consumer-based system, you have one consumer record to which you attach multiple accounts. In an account-based system, each account is separate and distinct. Each can have its own address and phone numbers. If accounts need to be linked; they are logically "joined" using a field such as "link number", which will be common to all of the accounts in the group. We believe that the account-based system is stronger, more flexible and offers more choices than a consumer-based model. To make the account-based model work effectively, RMEx incorporated some very powerful concepts into its design.

- The primary account was designed to be the “main” account where all the notes and important information was maintained. This would give you easy access to consumer information and historical data, without having to go to multiple places.

- The primary account would always be presented when the consumer had to be worked. It is possible that the primary would be paid or closed. In this case, our design was *for the primary to remain unchanged* although there are system options to manually or automatically change the primary.

- Mail is sent to the address *on the selected account,* while phone calls are made *based on the phone numbers on the primary.* Phone numbers can be automatically brought in from the linked accounts to the primary when the numbers on the primary are marked as bad or are disabled. The system will intelligently duplicate changes to the primary across the linked accounts (E.g. phone number or address changes).

- If you change the primary (this is *not* recommended) you have the option of copying some information, such as notes, from the old primary to the new one. The primary can be changed by a user or by the system, when the current primary account is closed.

• When an account is displayed, the linked balance (consumer balance) is computed by the system. Close codes are defined as active or inactive. Inactive closes (E.g. returned to client or keyed in error) are not included in the linked balance. You can also omit open accounts from the linked balance based on user-defined description codes.

• Certain accounts and balances can also be omitted from the information that is printed on linked letters (E.g. omit accounts placed within 30 days). Letters can be for a specific account or can be linked letters that are sending for the linked group. Different “merge codes” are used depending on the information that needs to be printed. For example, you could print client names and balances on a linked letter.

• Some information is kept at the consumer level (on the primary). Payment arrangements and post-dated checks were designed to be set up for the consumer. This means that, as a rule, you cannot set up two payment arrangements for a group of linked accounts. Credit card arrangements can be set up at the individual account level, but will be moved to the primary if there is no credit card on the primary. We are also aware that in some collection environments, each account in a link group must be managed separately when it comes to payment arrangements. We support this option with a feature that allows you to define payment arrangements and post-dated checks for each individual account.

\

• During the night, accounts eligible to be worked are grouped by link number (consumer) and worker code. The same consumer may need to be worked by two people (say a collector and an insurance biller). In this example, there would be two different worker codes within the linked group. An account (the primary) will be placed in *each individual worker’s queue*. When a collector works an account and applies smart codes, often, the smart codes will be set up to duplicate across linked accounts. Unless special options are selected, the system

is smart enough to only duplicate a smart code on the accounts that each collector is responsible for.

- When there are multiple linked accounts, different accounts will usually be at different points in the collection cycle. RMEx's queueing process is simple and powerful. We classify accounts into one of the following "Processing types" :
    - Broken promises
    - Dated follow-up's
    - New business
    - Work phone numbers
    - Home phones only
    - No phones
    - Cell phone numbers only
    - Other phone numbers only
    - Non-collector accounts (management or clerical work)
    - Hot accounts
- We analyze all the open linked accounts for consumer and each worker code, and if different accounts fall into different processing types, we will place the consumer in the highest qualifying type. For example, a home phone only and broken promise will show in broken promises.
- Each individual account can have its own phone numbers. During the queue-building process, if the primary has no home, work or cell number, these can be copied from other linked accounts into the primary account. What about numbers on the "other phones" window? These can be automatically copied to the primary (depending on their phone codes) and will then be available from *any of the linked accounts.*
- While many decisions are made based on information stored on an individual account, this is an intelligent system and some information is analyzed based on all of the linked accounts. As an example, if you are checking for a score over 500, the system will look at the scores on all the linked accounts and the condition will be met if *any* of the linked accounts has a score over 500.
- When you work the primary account, there will always be a concern that there may be no notes on the other accounts. This is not a problem, because you can duplicate user and

system notes on linked accounts. When you call an account, the number of attempts (or contacts) will be incremented on all the linked accounts. If you change the home phone number on one account, the system will automatically change all the other accounts that have the same number. Optionally, you can force a phone number across all the links, regardless of the number on each account. We even analyze the linked accounts and warn a collector that the phone numbers or addresses on the linked accounts are not the same. These are important features in efficiently working and managing linked accounts.

> "Arguably, managing linked accounts creates the greatest challenge in the design of good collection software"
> Quantrax Corporation

As you can see, the area of linked accounts has been thoughtfully and comprehensively addressed within RMEx. The way we handle linked accounts is one of the ways in which RMEx separates itself from the other collection platforms. When you are familiar with the concepts and details, you will find the features to be logical and practical.

What are your options for generating mail?

Mail is an important part of collections. It could be argued that mail does not collect letters, and that phone calls do. Regardless of its value, mail is an important part of validating a debt, following up on consumers you cannot reach by phone, and as a part of modern compliance requirements. RMEx will allow you to do the following:

- Print your letters in-house. We allow you to enter text and merge it with information from your accounts (using merge codes). With in-house printing, most users will use letterheads or some type of pre-printed forms.

- You can create a file that can be sent to a printing service. We can create the information required and your mailing service can merge it with standard text and other information you specify (E.g. Disclaimer and a tear-off portion to be send back with the payment).

- RMEx has different methods of, and you have different reasons for generating letters:

    - Letters could be generated based on a contact series which is an automated series of letters and/or phone calls (usually for new accounts, but can be used at any time)

    - Collectors can request letters as they work accounts (We call these "Selected letters")

    - The system can generate letters based on the need for a post-dated check or credit card reminder, as well as other payment arrangement-related letters (reminders or later letters)

- Letters could reference a single account or multiple accounts (linked accounts for the same consumer). We have special options to reference different accounts placed on the same day for one client - a single letter will save on postage and administration costs.

- You can send payment receipts

- While most letters are mailed to consumers, you may also have to send letters to attorneys, insurance companies and your clients

If you are working with a mailing service, you will need to talk to them about the format of the data they will require. In most cases, we would have worked with similar requests for them or other letter services. The details of the printing (color, disclaimers, paper etc.) must be worked out with your vendor. RMEx will provide you (may require some custom code) with the information required by the printing service. This would generally happen during nightly processing. Automation options could take the file created and send it out to the mailing service without any manual intervention.

The mail generation process is as follows.

- Nightly processing selects the accounts that require letters, for any reason

- The letters codes and accounts go through a verification process that will stop or reject some letter requests (E.g. the address is bad, there is no balance, we are missing some required information on the account, the letter you requested can not be sent in a specific state or for a particular client)

- A letter failed and letter generated report is produced.

- Some letters that fail go back into “letters pending” to be tried the next day. (E.g. the requested letter has not been correctly set up). If they are needed, some failed letters will need to be requested after changes have been made (E.g. the account has a bad address or some required medical information is missing).

- In-house letters would be printed the next morning.

- Letters for the printing service (usually gathered into a single file) would be sent to the printing service using a file transfer service (E.g. FTP) or a program provided by the printing service.

- Letters printed are stored at the account level and can be viewed through multiple options.

- There are special options to re-run letters for a specific day, to print a test letter and to print a letter “on demand” (E.g. You may need to print a settlement offer and immediately send it to a client or consumer).

- With third party printing services, we can write programs to electronically process returned mail and changes of address. These interfaces need to be discussed with your printing service.

Returned mail can be manually processed by entering a case number or using a scanner.

- It will often happen that a certain letter should be stopped or its text modified depending on the state or client concerned. While you can have your printing service handle this, RMEx is powerful enough to have your collectors select a letter based on the circumstances (E.g. promise was broken and we cannot reach the consumer) and have the system send a different letter based on the state or client code. We can even have a Spanish letter generated for the Spanish-speaking consumers (language translation option)! These results are obtained though our powerful letter translation features.

Processing of mail is a very important part of a collection system. You can see that with RMEx, we have tried to make the process as efficient as possible. We keep your costs down and allow you to be effective with as possible, with the least amount of effort and manual work.

How can we store and manage the different phone numbers that may exist on a consumer's accounts?

Let us first understand what we are working with. When an account is loaded into the system, it usually contains phone numbers that may or may not be accurate. The numbers could be associated with the consumer or belong to third parties who may have been or are now associated with the consumer (E.g. Relatives, neighbors, associates, persons the consumer made phone calls to). Additional phone numbers can be added by agents who work the account, or could be obtained from skip tracing companies (also referred to as scrub services).

As accounts are worked and phone numbers are attempted, the agent will discover that some of the numbers are bad. Some of the reasons this could happen are:

- The number is out of service
- It has been changed
- The number is good but it is not a number for the right party

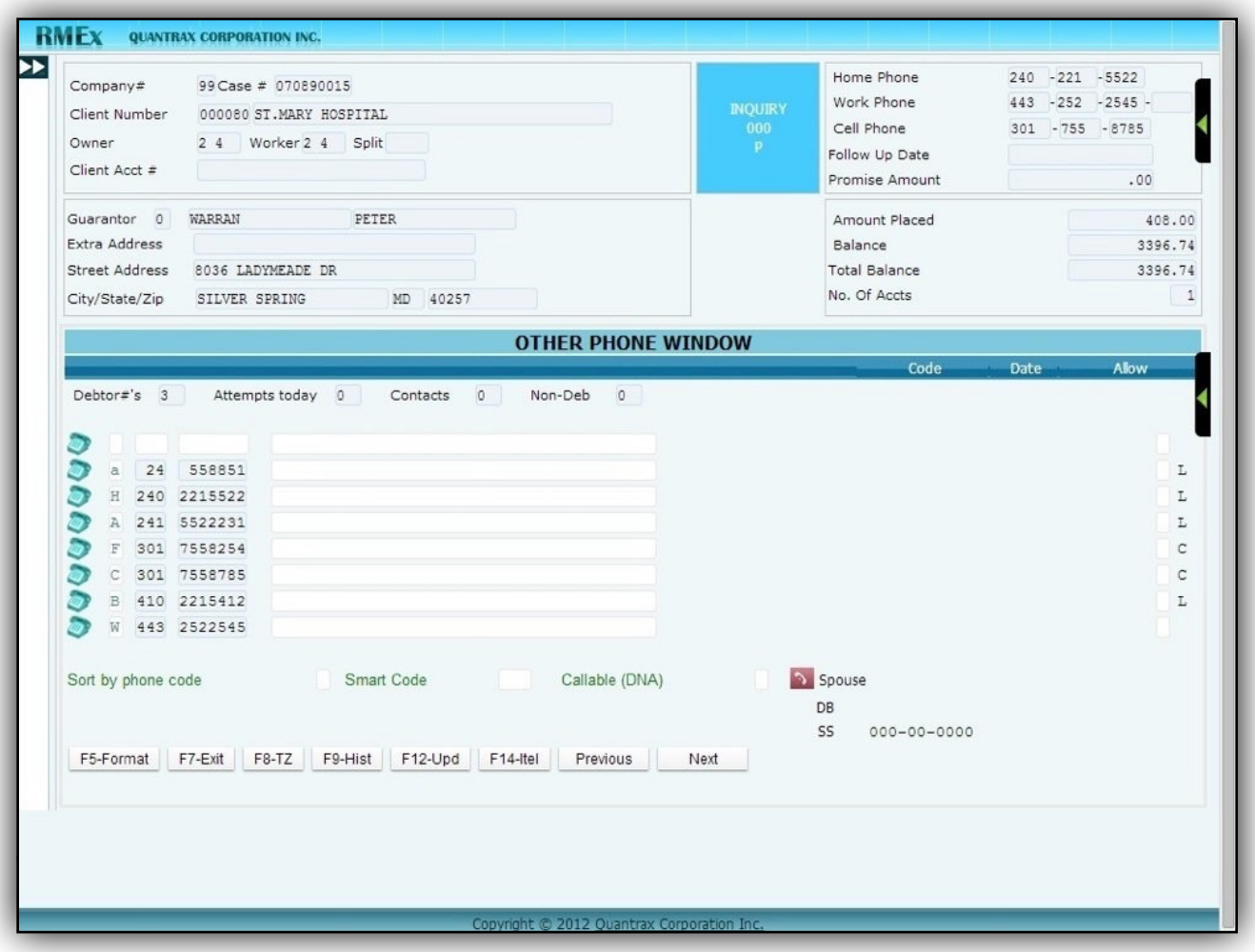
In some cases, the consumer may ask you not to call them at a particular number (E.g. work), or provide specific times for calling a number. An employer may not take personal calls, and some numbers like cell phones may need to be dialed using special option (E.g. they may need to be called using a PBX or desk phone). In the case of third parties, they usually should not be attempted once contact has been made and their "usefulness" has been determined.

To add to the confusion you could have multiple accounts for the same consumer that are worked as one linked group, but get loaded with different phone numbers.

What is RMEx's strategy for managing phone numbers and these different circumstances? Most of us will agree that contacting the consumer is one of the *most important* things in the collection industry. Quantrax's strategy is well-designed, comprehensive and effective.

The following describes the major thinking and features in our design.

- Phone numbers can be manually or electronically loaded at the time of posting new accounts
- We have a designated field on each account for home, work and cell phone with permission. These fields are displayed on the account detail screen.
- Additional phone numbers can be loaded into a "Other phones" window, along with a user-defined phone code. The numbers on the account detail screen are also stored on the other phones window. The screen below is an example of the other phones window.



- When a number is determined to “not be useful” we can remove it from the account detail screen (home, work or cell with permission). All numbers that are bad (removed, disabled, made inactive, or cannot be reached after many attempts) remain on the other phones window. The phone code can be changed to a “lower case” code, indicating that the number is bad. For all practical purposes, these numbers are bad. If you try to add a new number and it was previously marked as bad, the agent is notified.

- A special number (555) 888-8888 is reserved to allow you to indicate that you have a phone number (home, work or cell) that should not be called or replaced with another number. This number can be added to accounts, but will not be used for time-zone calculations or determining the status of an account (has a phone, skip etc.)

- At the phone code level, you can indicate whether that code is a consumer’s home, work or cell number. If none of those options is selected, the phone code is assumed to be a third party (E.g. relative, associate)

- As accounts are worked, if a phone number is removed from the account detail screen (home, work or cell), other potential good numbers (based on the phone code) can be automatically brought into the account detail screen. This can happen as soon as the number is removed and during the nightly account queueing process.

- When a home, work or cell number on the account detail screen is changed, the information is intelligently duplicated across the linked accounts. The same number on the linked accounts is changed, but accounts with a different number are not updated. The agent can also force the number(s) on the displayed account to be duplicated across the linked accounts.

- Phone numbers are important. When numbers are removed or replaced, they will usually be documented within the notes.

- How do you know that there are many different home, work or cell numbers across the linked accounts? There is a screen that will analyze and display the different numbers from all the links and allow an agent to go directly to the account that has a specific number.

- What about linked accounts that have different numbers on the account detail screens and other phones window? There is an option on the company information system parameters that allows you to “consolidate” phone numbers on the primary account. This will copy the numbers in the other phone windows, from the linked accounts onto the primary account. The system will then display the same phone numbers regardless of which account the user accesses.

- With Quantrax’s integrated dialer, we are able to maintain statistics at the phone number level. This information is updated on the phone detail file as predictive and preview calls are placed. Based on information such as the number of connects, no answers, bad numbers, you are able to automatically disable individual phone numbers, without relying on

an agent to do so. With the ability to disable a phone number based on a contact, you are able to systemically handle important compliance requirements such as not repeatedly calling third parties.

- Compliance requirements such as making sure you call home before work, as well as not calling into certain areas based on special local or national holidays, are also supported.

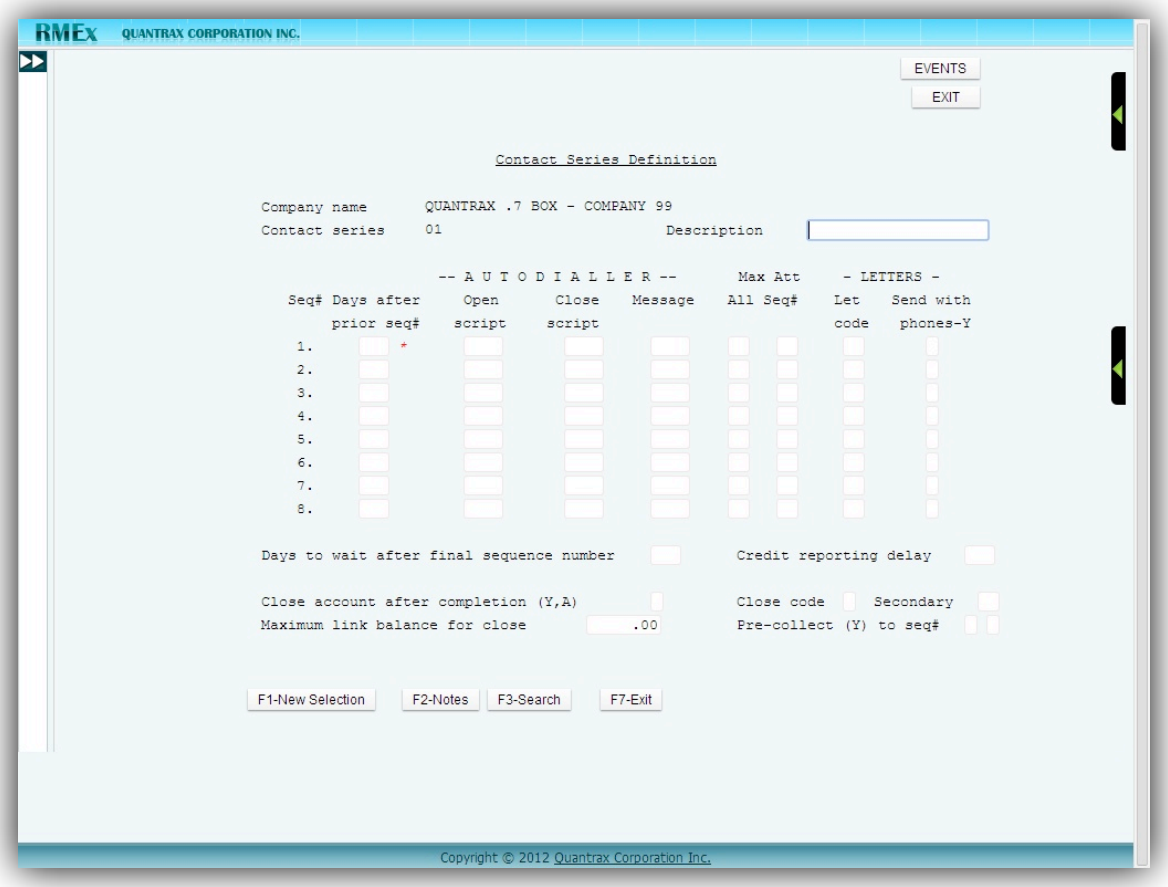
- What about stopping phone calls (and mail) to areas affected by a disaster? This is also supported.

- Disabling of phone numbers based on the number of attempts and contacts happens during the nightly process, looking at numbers that were attempted that day. Only certain dialer disposition codes are considered. Most users will want to quickly disable numbers that are bad and most dialers can accurately differentiate between a bad number and a network problem that does not allow a call to go through. Network problems or a temporary problem with your telephony providers are not considered an attempt. If you have our integrated dialer and have decided to set up these rules after using the system for a while, we have one-time programs that can look across the entire system and disable numbers based on the new rules.

- The other phones window allows you to define permission to call individual numbers. Some clients require that you obtain permission to call any number, even a land line!

- Phone numbers are important in collection strategy. Accounts can be initially placed in pools based on the existence of a phone number (collector assignment process).

- With new accounts, you can start a contact series (a series of letters and/or phone calls). This automated process can generate letters or send the account to a dialer for a specific period of time. The number of attempts to be made can be defined based on several different options. A set up screen follows.



- You can keep multiple phone numbers at the cosigner level and use these in your collection strategy.

- We have different options to calculate the allowed calling period (ACP) for an account (time zones). You can use the information on the account detail screen or use more complex options like looking at all of the phone numbers available, including the consumer's state. These options require I-Tel, and information from a third-party data source. From the other phones window, you can display the allowed calling period for each phone number.

- There are different options for calculating the allowed calling periods for toll-free numbers and numbers that do not have an entry on the "time zone file".

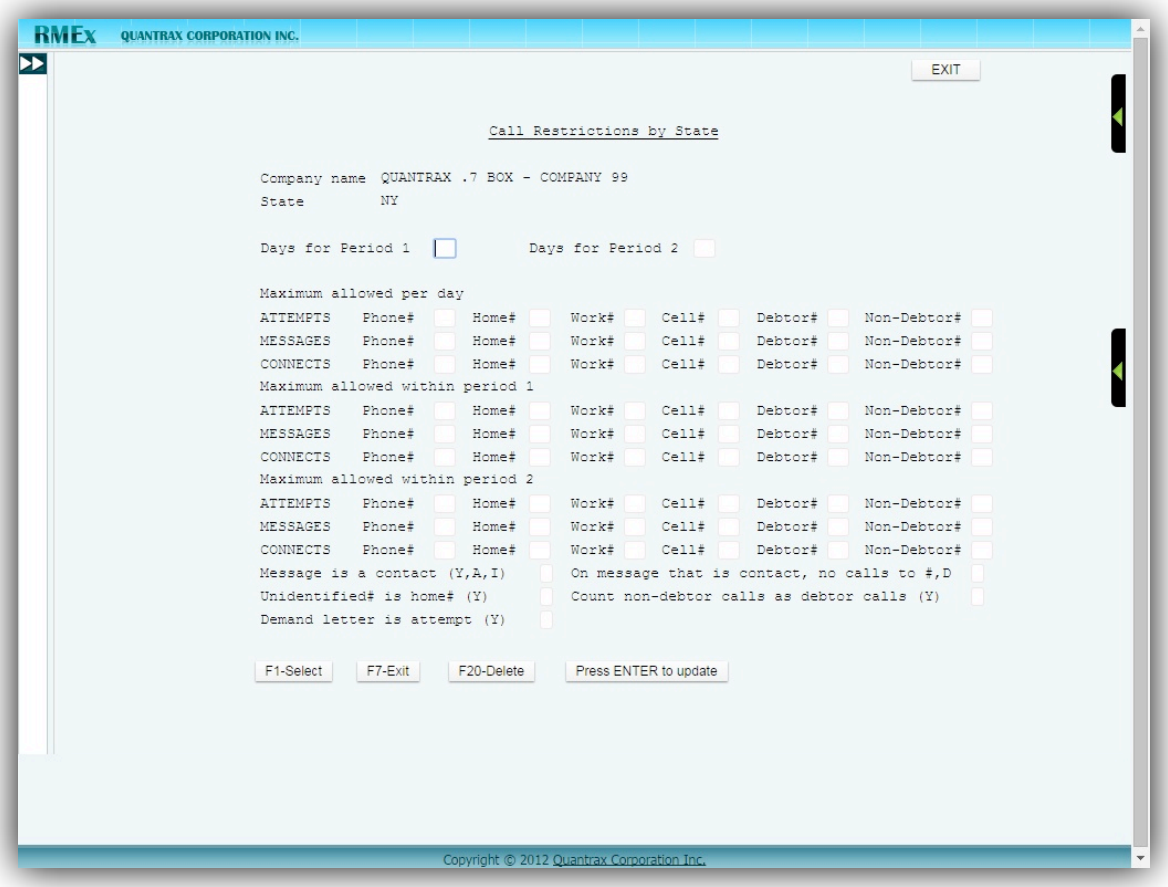
- During nightly processing, accounts are placed in different processing types (E.g. new business, broken promises, home phones, skips) if they are eligible to be worked. Phone numbers play an important part in this logic. Phone numbers are obtained from the primary account and if there is no number on the primary, the system will fetch phone numbers from the open linked accounts based on rules set up within the system.

- How you call the different phone numbers on an account depends on your dialer platform and how it is integrated with RMEx. Our features have been integrated with our dialer I-Tel. All the features we have may not be available if you use a different dialer.

- As accounts are worked, phone numbers play an important part in compliance management. There are options such as do-not-call lists at the account and phone number level (As an example you can set up an employer who does not want personal calls to employees).

- There are powerful options to manage call frequency. Maximum calls can be defined at the state, city or client level. You indicate the maximum number of “footprint” calls for a day, or for different periods, at the consumer or phone type level (Home, work or cell). You can also set up limits for the number of messages that can be left by agents or the dialer.

Here is an example of the call restrictions by state.



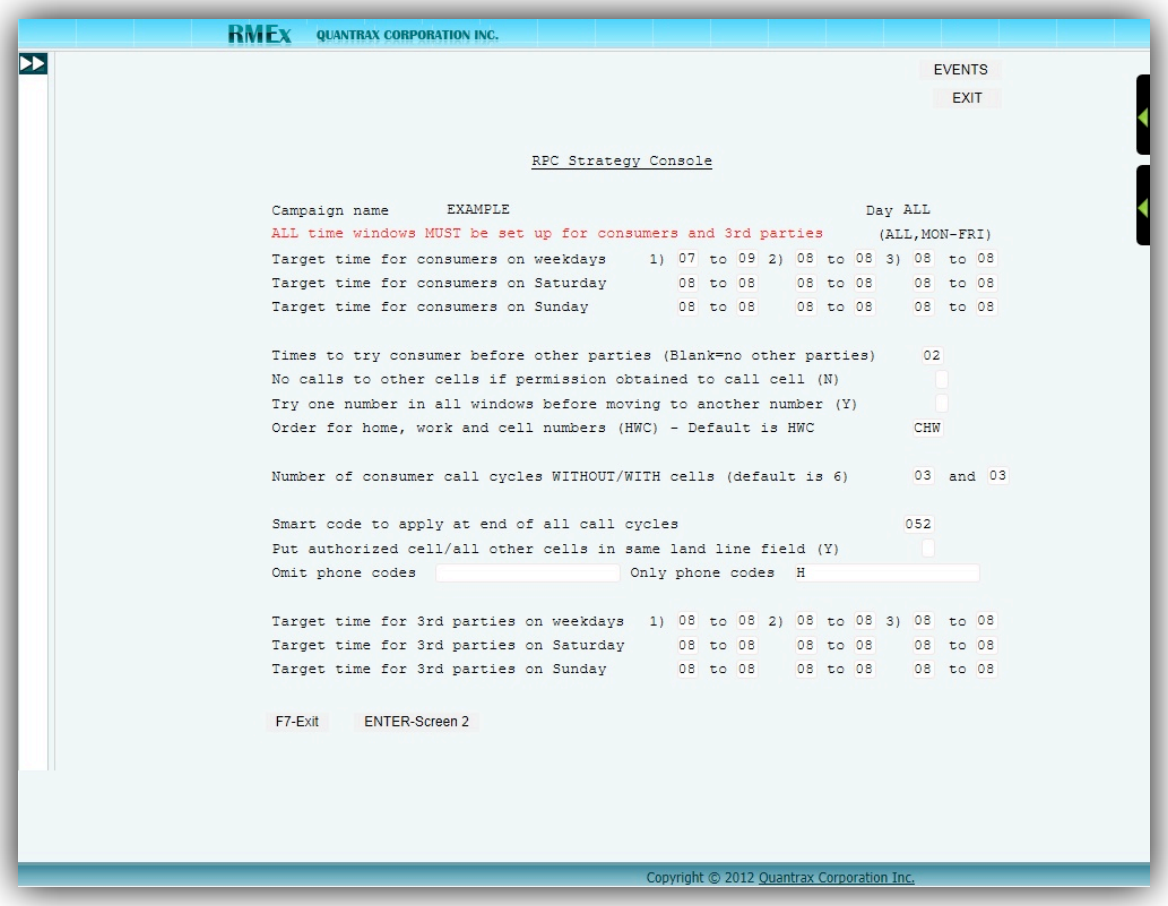
- We even allow you to stop an enthusiastic agent from using a desk or cell phone to dial numbers after the call limit has been reached! How do we do that? You have options to mask phone numbers when they should not be called. This not only applies to call limits being reached but can also be based on accounts which may be out of time zone at a particular time in the day or marked as do-not-call

- Cell phones can be managed in different ways. RMEx has built-in, real-time cell phone scrubbing (requires third party cell phone data bases and updates to ported numbers). Real-time information is important because it will allow an agent to immediately know that a cell phone is being put into the landline field. Permission obtained immediately and documented as a part of your compliance processes.

- There are dialer-related options that can stop cell phones from being dialed predictively or through other modes.

- RMEx's right party contact console offers additional features to manage cell phone strategy. Simply set up the rules at the campaign level. The different types of numbers (home, work, cell and third parties) will be attempted, making sure that each number receives the *same* number of attempts and that each attempt is made at *a different time in the day* (E.g. morning, afternoon and evening)! As we work through the available numbers on an account, a cell phone can be moved to a specially-designated campaign that could be worked through the PBX of some other option.

Here is a sample screen from the right party contact console.



- You can also target different types of phone numbers in the all-important area of account management. If you want to isolate accounts that have a home phone number for a weekend campaign, this is easily automated using “Queue consolidations” set up to only select those accounts. Set it up once, come in to work and the accounts are in your weekend campaign!

- For on-demand targeting of accounts, the account audits can also select different types of phone numbers.

The above features offer you a rich set of tools to manage the complex and important area of phone number management. As you can see, we are not only dealing with the need to work through several different phone numbers. RMEx will also allow you to effectively manage:

- Multiple phone numbers on different linked accounts
- Contact strategy based on the type of phone number available
- Getting to a RPC in the shortest possible time while meeting all of your compliance requirements
- Cell phones
- Call frequency and
- Other compliance features

What about your dialer strategy?

The predictive dialer (automated dialer) has been around since the 1980's when it was hailed as the great enhancer for productivity in the collection industry. Of course that was correct! You were suddenly able to dial 20,000 numbers a day when you were previously attempting 4000 a day! Many years later, the dialer is primarily unchanged - It makes phone calls and takes inbound calls. Yet, dialer vendors claim that they are now the solution to all of your collection, management and compliance challenges! We have a different opinion.

A dialer is nothing more than a "stupid machine" that makes phone calls. It is, however a key component of a collection operation's contact strategy. Consider the following - Your collection floor reports that your right party contact rate on the special work/home campaign you recently set up is 20% of launched calls. Are you having a good day? Many will say yes. A 20% RPC rate is phenomenal, but what if you are talking to the same people you talked to yesterday? You will probably generate no money from this campaign.

This is a simple example that highlights the fact that a dialer cannot make collection decisions or collect money for you. These decisions must be made by a good collection system or your management. Dialer companies are trying to manage collections because most collection systems do a poor job at effectively managing contact strategy in today's environment.

There is also a great deal of misinformation about what a specific dialer can or cannot do for you. The major controversy revolves around the integration of your dialer with your collection platform. Ideally, your collection platform (which is the system of record) should manage your accounts, with your dialer playing a supporting role. The term "integrated dialer" must be carefully defined and

understood. To us, an integrated dialer is a dialer that *is a part of,* and not an extension of your collection system. The dialer is always synchronized with your collection data and your data is always shared, as opposed to being duplicated on the dialer. How can you tell if you have an "integrated" dialer? Consider the following questions. The answers we provide are what we expect if you have an integrated dialer.

- Does your dialer require that you create calling lists for its outbound campaigns? *No.*
- Are call outcomes like no answers and busies updated to your collection system in real time? *Yes.*
- Are compliance rules (call frequencies, messages left, "home before work" rule, do-not-call numbers) managed by your collection system? *Yes.*

If you had different answers from those we suggested above, there are important requirements that that your dialer can not meet without significant custom code. These include:

- Accurately counting calls so call limits are *never* exceeded. Here is a test. Suppose you have a limit of 4 attempts to a consumer per day. You have made 3 calls. At exactly the same time, two different agents try to call the home and work number. Will your system stop one of those calls? RMEx and its integrated dialer will.
- Agents could place calls using their desk phones or cell phones, when they are outside the allowed calling periods, or when compliance rules should not allow them to make a call. With an integrated approach, even these calls can be stopped.
- Doing a screen pop for an inbound agent when the calling number can be matched to a single account in your data base.
- If you have a consumer-agent interaction (they call in response to a letter or dispute an account), it is vital that you do not call the consumer back on the same day, as a part of a scheduled dialer campaign. If there is no true integration, this *can and will happen,* and can have serious consequences.

If you are serious about compliance and dialing rules, consider your options carefully. This is too important an area to allow any mistakes to occur.

Other than for great collectors (technology does not collect – people do) what else do we really need to do, to say we have great contact strategy? The following requirements demonstrate that our challenge is *not* a simple one.

- You need to manage multiple consumer accounts that may have different phone numbers and need different work done, by different people at the same time.
- You need technology that will call accounts based on collectability. You do not want to call a collectable balance 4 times while an account that is unlikely to pay gets 10 attempts.

- You have to be able to present the right account, with the best phone number, to the right collector, at the right time in the day! How difficult is that? Check some of your accounts. Check some that have had 6 attempts to the same number. You should have had two attempts in the morning, two in the afternoon and two in the evening. Is this what you see with all *of your accounts*?

- How do you make sure you frequently call the accounts for your priority clients? Are the broken promises for paying accounts called as often as they should be? Are high scores worked every 10 days? How do you make sure these things happen? In most companies, managers or supervisors create dialer campaigns to target the accounts that need to be worked each day. Unfortunately, this is not the most efficient process and it *always* results in overworking and underworking accounts. As for targeting phone numbers at the with time of day, that is often a hit or miss effort because most systems do not have options for strategic, automated phone number management.

- When numbers are bad, or you make 10 attempts without a RPC, how do you automatically disable those numbers or have someone check the number? Do you keep calling them for many more months without trying to get a new number? If you are making predictive calls, the agent may never see the account? How do you make the system disables numbers (when that is called for) and get an agent involved when automated dialing has done its part?

- How many different campaigns do you have? Why do you have so many? During the day how efficient is it to move agents from campaign to campaign? How many campaigns do you really need? What if you could put all of your work into 7 or 8 campaigns that were run every day, with a few that were run less frequently (E.g. the accounts that were less collectable)? What if collectors could stay in a single campaign all day?

- You know what you would like to do on Monday mornings, and on Tuesdays and Wednesdays. Why do you have to set up and build campaigns each day? Why can your collection system not allow you to set up the way you want to build your campaigns for each day of the week and make that happen?

- Assuming you are working your accounts based on collectability (a good scoring model is an important part of this), you will need different strategies for working different accounts. As an example high scores may be worked with live agents while lower scores could be worked with messaging campaigns and a few live campaigns.

- In a pooled environment, your collection software must be able to “hold” the accounts and give credit to agents responsible for collecting the money or making a positive contact within that pooled environment. When payments stop, the accounts need to go back into the pool.

- How do you make sure that your account coverage is effective? Calling the same people too often while not calling some, is guaranteed to result in lower recoveries. How do you manage this without having to do a great deal of manual work?

- You need to manage inbound calls. To what agents are these routed? Why would you not give the consumer a link to make a payment using your payment portal (which will use inboundIVR and allow a check or credit card payment to be entered)? Knowing that traditional phones are being replaced by smart phones and tablets, do you have a strategy for consumers to make a payment using a mobile device?

These are only some of the things that must be considered when we talk about the perfect contact strategy. Because most collection software does not offer strong features to address all of the above requirements, most companies are forced to compromise with alternate solutions. These are usually a combination of manual processes, hit or miss methods and transferring control to the dialer to make decisions that should be driven by your collection system. With RMEx, our strategy revolves around your collection system being the “brains” of your workflows and operations. Dialer production should be driven by solid plans and automation that is managed by your collection software based on input from your best management minds.

Consider the following, which is the basis for RMEx’s integrated dialer and contact strategy. These features are designed to work with RMEx and its integrated dialer. It is much more complex to provide the same functionality with other dialers. Why? Because RMEx cannot control or know the behavior and results from the dialer activity in a real-time environment. Building that integration is very complex and is one reason that our platform is powerful, but also takes some additional investment to understand and take advantage of.

“Allowing a dialer to manage your accounts would be the equivalent of a tail wagging a dog”
Quantrax Corporation

The following are the key elements in RMEx’s integrated dialer strategy.

- You must be able to send letters and/or make dialer calls as soon as accounts are loaded. This is accomplished though our contact series feature which can automate a series of letters and phone calls.

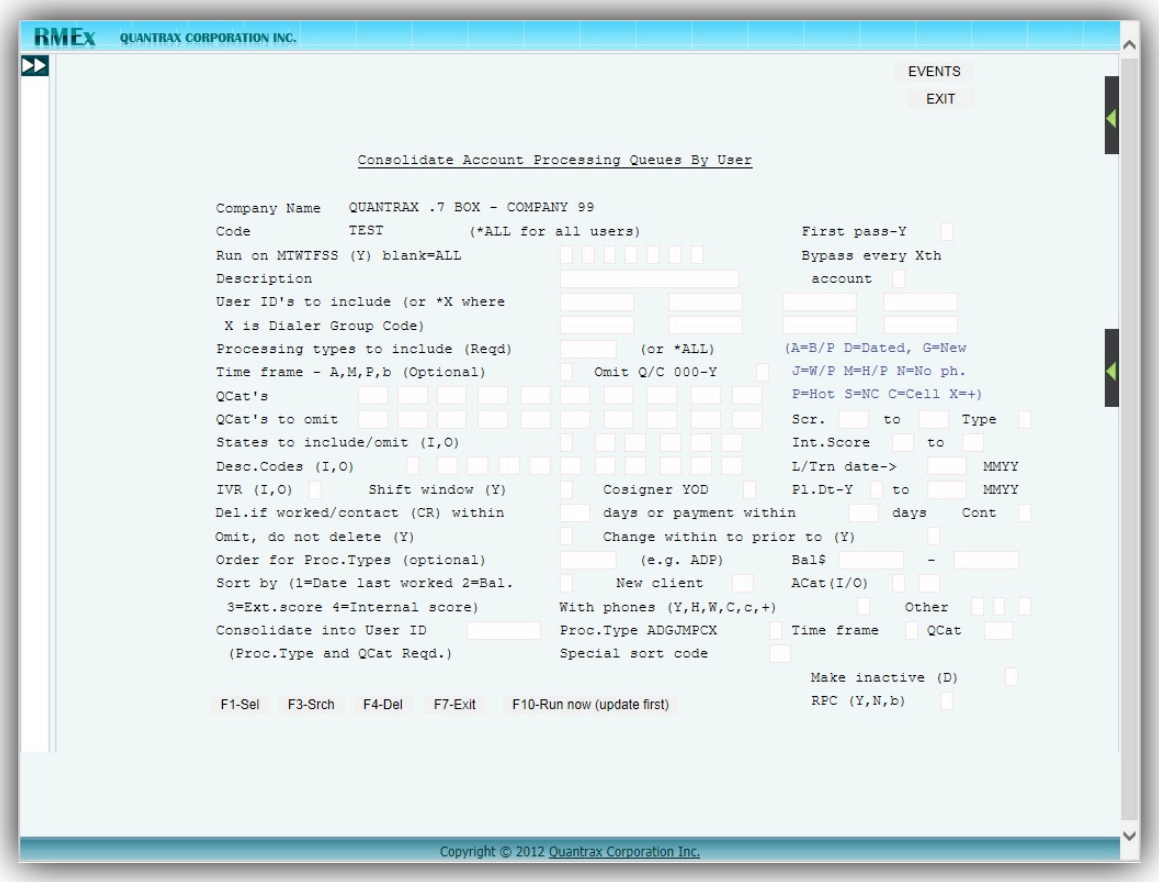
- Since this is an automated feature, you must be able to repeat dialer attempts but stop when a user-defined number of attempts has been made.

- We must be able to incorporate dialing rules such as do-not-call numbers, home before work rules and limits for footprint calls at the state, city and client level. Messages left must also be counted and managed.

- Since we can be dealing with many potential phone numbers on an account, we need to try to obtain right party contact in the shortest possible time. Our RPC console was described in a previous section, and allows you to target phone numbers so they are called in the right campaign (dialing mode) at the right time in the day. This was designed for our integrated dialer.

- After accounts are queued within nightly processing, special automated processes can be set up

to look at *every account* and move them into specific campaigns based on complex selection criteria and phone number options. The queue consolidation feature, as the name implies, allows you to look at millions of accounts and strategically slice and dice them into a few smaller campaigns. The goal is to be able to target any consumer or phone number for any time, or day of the week. This includes selecting clients, scores, balance ranges, paying accounts, placement dates and more. The sample screen below will give you an indication of the great flexibility we offer. Remember that these options are set up to run unattended. When you come in each morning, the accounts would be *exactly where you wanted them.* Your collectors would only need to sign into a campaign and start working! These automated options not only allow you to select accounts; they also allow you to place the selected accounts and phone numbers in different campaigns (for example predictive for land lines and preview campaigns for cells).



- Calls must not be placed or allowed to be requested outside allowed calling periods that will be computed based on parameters defined within each company. With the most conservative approach, all the possible phone numbers on an account, multiple time zones for a state, and the consumer's mailing address must be considered when calling periods are computed.

- For each type of phone code (home, work, cell, neighbor etc.) you can set up rules for the system to disable numbers based on call results. As an example you may decide to disable any consumer number after 2 bad numbers were obtained. For a neighbor, you may do it after the first bad number. For consumers, you may choose to disable a home number after 12 no answers as long as there is no RPC on the account. Disabling a home number would result in another

possible home number being brought into the dialer pool.

- There are many strategies for inbound calls. On option allows inbound calls to be “blended” with outbound predictive calls. You may also have dedicated inbound agents. In some cases, an inbound call may be offered to an agent while they are completing a prior call (wrap mode). In these cases, we can look up the account (based on the calling number), compute the linked balance and display it to the agent before they have even picked up the call. In such a case, if the agent picks up the call, they can have the account details on their screen before they have talked to the consumer.

- For efficiency and security, inbound IVR can be integrated with your dialer strategy. For credit card or checking account payments, the consumer could be transferred to a payment portal where they would securely key in their account details.

Dialer strategy is a key part of collections. With new compliance requirements, the shift from land lines to cell phones, along with the preference for smart phones and tablets over traditional PC’s, we must rethink our strategies. With RMEx’s automated options and integrated dialer, you are offered plenty of choices when it comes to contact strategy and account management. Your collection software *must* drive your account management strategy and no other system can match the flexibility and efficiencies offered by RMEx.

How do you suspend or give up on accounts?

While you are in the business of collecting accounts, far more accounts go unpaid than the number that are collected. How you manage accounts that no longer need to be worked, is almost as important as managing paying accounts. Why?

- Working accounts that you should give up on is expensive and interferes with your ability to focus on more collectable accounts.

- Even no answers using a dialer requires technology resources. Loading your system with accounts that should be closed is costing you more than you can imagine!

- Since overall recovery rates may be less than 10%, it is much easier to locate an account that will not pay than one that will pay. Even if you accidentally give up on an account without paying too much attention to it, the chances that it will pay may be less than one in ten! *Giving up on most of your accounts is an important part of a modern and efficient collection cycle!*

- Having more open accounts than necessary will often lead to unnecessary system overhead, specially in batch processing where all open accounts may have to be considered.

How many accounts should be open at one time? There is no easy answer for this. If you load 30,000 new accounts a month let us assume that you should be working and resolving the average account within 90 days. This may be sufficient time for you to determine if the account will pay or if

you should give up on it or take legal action. This means that you will have less than 90,000 active accounts at any given time. With legal accounts and accounts that are on longer payment arrangements, you may have about 100,000 “active” accounts at any time. Unfortunately, this will not be the case with many collection operations. In an environment where collector commission is an important motivator, many collectors will hold onto accounts even when then should be closed. In addition, some clients have the perception that you work their accounts for extremely long periods of time. In these cases, closing an account that in your expert opinion is not likely to pay, may *not* be good for business.

What is RMEx’s strategy for closing accounts?

- Users should be able to close accounts or have the system close accounts based on very comprehensive rules. Relying on the judgment of a collector to give up on an account may not be a good thing, unless the collector has a great deal of experience.

- We have user-defined close codes and secondary close codes that can be applied to accounts to stop collection activity. Closed accounts are not considered for queue building during nightly processing. At least one account must be open for a consumer to qualify for collector work.

- There are active and inactive closes. With an active close, you would still be able to collect the account (for example a skip or unresolved dispute) while inactive close codes are used when an account should not be work (e.g. bankruptcy) or is returned to the client for any reason (such as entered in error or withdrawn). Inactive closes are not included in the linked account balance that is displayed to collectors.

- Paid-in-full is a special condition and in RMEx, close code “1” is reserved for PIF’s. It is applied by the system and cannot be entered or changed by a user.

- The credit reporting programs rely on the way close codes are defined for reporting some status codes (e.g. withdrawn, disputed or bankrupt).

- For client reporting purposes, *you can show a closed account as actively being worked.*

- In statistical reports, inactive closes are usually accounted for in your recovery percentages. Your recovery percentage should not be negatively impacted by a client placing an account and later withdrawing it. In RMEx, the withdrawn accounts are usually taken away from the placement numbers and amounts. In the case where accounts are returned to the client after a certain period of time (e.g. assigned to another agency), these accounts would normally be closed inactive. Since you should not end up with a recovery percentage of 100% in these cases, there is an option to define certain inactive closes as “active for statistics”.

- There are user-defined options for how collectors can receive credit for payment received on closed accounts. As an example you could say that collectors would receive credit for a “refused to pay” for up to 15 days after the close date. The closed accounts could be re-opened based on rules you set up for payment processing.

- Closed accounts can be automatically opened by the system based on circumstances and collection activity. For example if you had closed a group of linked accounts because you could not find the consumer, you would want the system to open all of the accounts if the consumer ever called in and made a promise to pay.

- Smart codes can be set up to evaluate hundreds of conditions each time an account is touched (or even if it not worked for a long time) and close an account using any close code you set up. Typically, when you feel it is time to give up, you may want to close an account, consider legal action or send it to a manager for a final review. With time, the goal is to *have the system close as many accounts as possible,* using your best managers' thinking to program the smart codes that would analyze the accounts and make decisions without human involvement.

- What about dealing with the statute of limitations? How do you meet complex guidelines for when collection activity must cease based on service dates or the last activity on an account? Easy. Set up the rules for each state and the system will take the necessary action on the exact date!

- The primary account may get closed. You should understand how information is represented in RMEx and *continue to retain the closed account as the primary*. When there are linked accounts, you will have to use the client names from the open accounts on letters, as opposed to the client information on the primary, because the primary may be closed.

- There are options to change the primary to an open account, when the primary is closed. Programs that run at night look at accounts that were closed and can assign a new primary. Again, *this is not recommended!*

The process for "resolving" accounts within RMEx is logical and practical. It addresses account management, collector and client needs. It is very important that you understand close codes as well as related features such as linking and smart codes.

How do agents work an account?

In a collection operation, over 85% of your expenses are probably collector-related or initiated by collectors (E.g. mail). Every minute that an agent works has to be paid for, and their efficiency has a *direct impact on your bottom line.* In spite of the great power of computers, it can be argued that agent productivity has *not* kept up with the potential of technology. It was a different era, but when there were no computers, agents used to work 125 accounts a day, and that included doing their own letters! With modern computer systems we have many agents who only work 150 - 200 accounts a day. Did we spend all this money and technology resources to work a few more accounts a day?

We believe that this discrepancy has something to do with the design of collection software. We now have a great deal of information we access, often taking a great deal of time to do so. Suppose you are working a consumer with 5 linked accounts. The consumer wants to know the balance on each account. They also want to know when each debt was incurred. To go into each account to obtain this information is time-consuming. All collection systems should allow you to provide answers to these commonly-asked questions without having to access each account!

RMEx takes a multi-dimensional view of agent operations. Our goals were to accomplish the following:

- Management must be in *total control* of work flows and decisions made on accounts, while giving selected collectors the flexibility and freedom to make decisions based on their experience.

- If an account is presented to a collector, *it must be worked.* Agents should not be allowed to go onto the next account without working the account (E.g. making a phone call, sending a letter).

- The agent must be able to respond to information requests quickly. The system must provide very fast access to the information stored.

- Today's collection environment is complex. There are state rules, settlement parameters and letters you cannot send for specific clients. How does an agent remember these rules? They can not and should not have to! Our goal is to allow you to provide important information to the agent, without them having to remember things or look up notes at their desk.

- We believe that today's collection platforms should offer truly paperless systems. There should be *no reason* for an agent to use pen and paper to do anything.

- To work an account, an agent should only need to tell the system what happened (No answer at home, RPC at home, consumer refused to pay, consumer disputed the account etc.). Unless special information is required, there is no need to key in standard notes. In some cases, additional information may be required (Checking account details for post-dated checks, attorney information, insurance information etc.). Agents should not have to make decisions about giving up on accounts, possible legal action or how to handle a dispute. They should make / handle calls to and from consumers and ask for the money. If payment will not be made, they need to tell you what happened and the management should decide on the next step.

- If you are thinking, "This cannot work. What about all the things that need to happen as a part of collections? What about insurance billing, handling credit reporting disputes, contacting a client to check a direct payment, transferring an account to a client services representative or manager?" The agent cannot handle these transactions, but if they could tell the system what happened you could have rules that will take the necessary action in *all of these examples.* This is the great power of thinking systems that can be trained to do very difficult things behind the scenes.

RMEx is a management-driven system. We started out by saying that a collector's job is not to think or manage their accounts, but to talk to people and ask for money. They are negotiators and need to know how to work an account and resolve it, even if it means the account will not be collected.

How does a collector work an account in RMEx?

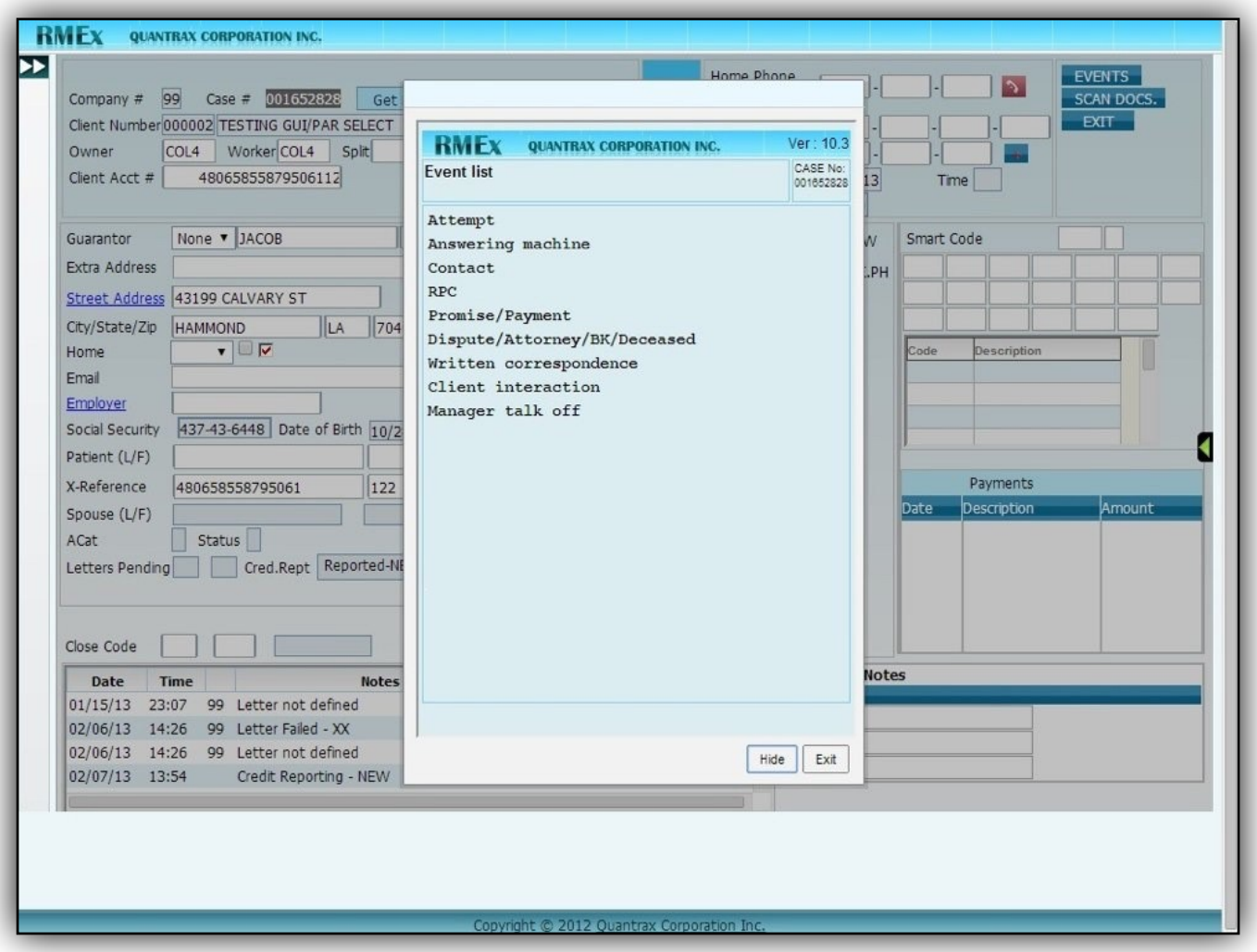
- Depending on whether they are working on the dialer or not, they will select an option and may be presented with their "work map". This is a display of all the accounts they can work along with the queue and sub-queue for different types of accounts. Users may be able to choose the area they work (broken promises, new business, work phones etc.), or be directed by management to go into a specific area.

- On outbound predictive calls, the voice and data (screen pop) will be presented to the agent when the call is connected or the number is being dialed. For other dialing modes the screen will be presented and the agent will typically review the account and place a call.

- *The primary account is always presented to the agent.* When work is done, information can be automatically duplicated on linked accounts, based on management requirements (E.g. the number of attempts can be updated on all the linked accounts, notes could be duplicated in some instances, the closed accounts could be re-opened or any contact series could be stopped because at the consumer has disputed their accounts)

- An account is documented and updated by clicking an "Events" tab. This will present user-programmed drop-downs that will allow the agent to point and click based on what was taking place (Called home, talked to right party, payment promised, credit card payment entered etc.) The progression of the drop downs is designed by management and can be set up to take the agent through different consumer interactions without having to remember *any special codes.*

Behind the scenes, powerful decision-making smart codes will be applied by the system. In some cases the agent will be asked for additional information such as a follow-up date or notes. Documenting the work done and the results of the consumer interaction is fast and efficient, with little to memorize or remember!



- Depending on the management, an agent has access to payment numbers for at the day, as well as information about their productivity.

Depending on how a company manages its production, management has several options to control production. Based on the experience of their agents, management can set up several options and controls:

- Direct users to work specific processing types (E.g. broken promises, new business, work phones, hot accounts, skips) at certain times in the day
- Within each processing type, define a maximum number of accounts that can be worked for the day
- Reduce the number of choices for an agent by creating a few larger queues as opposed to several smaller queues
- Set up rules for payment arrangements with regard to how far in the future the first payment can be dated for
- Users can be limited to the information they can change on an account. For example, some users can be stopped from updating names, socials and dates of birth.
- Force an agent to do a certain account of work (e.g. make a phone call) depending on the account balance
- Stop an agent from moving to the next account unless they have taken some required action on the account. Can an agent “actively lie”? Yes, but this can be addressed by good management!
- Set up rules for different things to happen when accounts are worked. As an example, the system could be taught to close a lower score with 2 contacts and no payment. But an inexperienced collector would be given 3 chances before the account gets closed. All collectors would work accounts in exactly the same way and the thinking would take place based on the skill level of the individual collector.
- In environments where security is mandated by larger clients, or special licensing is required by states, agents can be restricted from accessing specific groups of accounts.
- Collectors can be stopped from setting up payment arrangements that do not conform to some minimum requirements. To override the rules, the accounts can be transferred to someone with higher authority.
- In some companies, supervisors and managers get involved in a second talk-off. We accomplish this by having a manager “take over” a collector’s session, add smart codes and notes that show their management User ID, and then return control to the agent without ever making the agent sign off!

- Agents can transfer a call to another individual by using the phone system, and transferring the screen at the same time. The person who receives the transferred call is able to access the account without having to talk to the other agent or key in an account number.

You can see that the process or managing agents and having them work accounts has been carefully analyzed and designed with efficiency in mind. By setting up RMEx to think and manage workflows, the agent's role can be redefined as what they should be doing in the modern collection operation - making phone calls and talking to people! Their role should *not* include remembering and meeting hundreds of compliance parameters or managing thousands of accounts.

Monitoring agent productivity and results

Managing your most expensive resource is a key part of any collection operation. How do you analyze and manage collector productivity? How do you determine the reasons for great or poor results? RMEx's approach to this topic is logical and practical. We must be able to start with a high-level view of your results. We must then allow you to drill down and get more information.

Before reviewing some of the features you have in RMEx, let us revisit some important concepts in RMEx.

- RMEx is an account-based system (as opposed to a consumer-based system). When an agent works one consumer, they may be working many individual accounts

- It is the "worker" who works an account as opposed to the owner (or split collector) who will receive credit for payments (In most cases the owner and worker will be the same). Anyone can work accounts (agents, skip tracers, managers)

- Results can be analyzed based on owner or worker. You are likely to get different pictures based on your view of the information, and this has to be carefully considered

- Balance types are defined as reportable or non-reportable. Do they appear on client statements or not? Primary balance will always be reportable but collection costs may be retained by the company and therefore do not need to be reported). Similarly, you are able to specify the balance types for which collectors receive payment credit.

- New business could be assigned to a collector unit, but taken away from a collector if the accounts link to other accounts, and collector codes are changed by the linking process.

- Collectors may not receive credit for all payments even though the balance type is set up for collector credit. As an example if an account is in a contact series, it is usually being worked by the system and you will probably not want a collector to receive credit for payments. In these cases, you would give credit to the house.

- Payment credit can be split in user defined ratios between the owner and the split collector (For example a collector, and a skip tracer or insurance biller).

- Agent productivity falls into two broad areas - production and results. Production refers to what agents did (How many attempts, contacts, positive contacts, negative contacts, letters requested) while results refers to collections and fees promised or generated (promises, checks, credit cards) on accounts they were responsible for. With a dialer, it is sometimes difficult to show production and results, because the dialer will not know that this particular phone call resulted in a credit card payment of $300. This information has to be provided to the dialer software, or there needs to be a complex integration between the collection system and your dialer. RMEx's integrated dialer will produce this type of reporting.

RMEx offers the following design for analyzing production and results for agents.

- During nightly processing (and as a menu item), there is the option for a "Daily Activity Summary". This is a report that analyzes placements, production (attempts, contacts) and results (promises, payments and fees). These reports will give you an excellent high-level view of the effort and results from your collection floor. Here is the production section of the report.

- The smart code is the standard work unit of RMEx and drives the system's thinking and decision-making. It also tracks the effort on each account. Since multiple collector codes can be set up for one user, most of RMEx's productivity reports are analyzed by User ID (a person). The smart code summary reports will give you a single, brief analysis of all the production in your office. Each smart code on the report represents an action or result (Telephoned residence no answer, consumer has an attorney, payment promised, credit card payment received etc.). The report shows consumer numbers as well as accounts processed (since a single consumer may have multiple accounts). Here is a productivity summary by user.

Date : 11/01/08 11:19:19 Page : 1

PRODUCTIVITY SUMMARY BY USER FOR 11/01/08

Company : IOU IWE-IT COLLECT SERVICES INC.

			Type of Activity					Type of Activity					
			Contacts			Other		Contacts			Other	Total
User		Debtors	Att.	Pos.	Neg.	Oth.	Activity	Cases	Att.	Pos.	Neg.	Oth.	Activity	Balance
CO2	ANN JONES	186	90	15	0	7	74	408	206	34	0	11	157	123,526.62
CO6	DAISY LINSDAY	25	9	4	1	2	9	60	19	13	1	12	15	21,969.35
CO8	BECKY PEARSON	84	43	14	3	2	22	215	99	34	14	2	66	55,183.01
C13	OPEN POOL	85	0	0	0	0	85	297	0	0	0	0	297	160,223.47
C14	OREM HATCH	131	52	12	2	0	65	374	140	24	2	0	208	110,693.48
C16	KAY JEWEL	293	210	17	8	7	51	826	499	44	24	7	252	183,877.59
C17	MARY WILLIAMS	195	98	12	5	5	75	420	145	28	6	6	235	120,850.77
C19	STEVE ROSE	68	47	12	0	2	7	159	74	34	0	2	49	16,013.46
C20	PAUL MITHRA	51	32	13	2	3	1	152	73	44	2	4	29	89,104.90
C23	MICHELLE SMITH	77	62	3	9	3	0	77	62	3	9	3	0	589,380.47
C25	JOE DAVIS	173	90	9	0	2	72	415	212	18	0	2	183	314,155.84
C26	SAM HOUSE	193	48	10	2	3	130	356	63	12	2	4	275	77,410.52
C29	TONY MAXWELL	289	129	14	10	3	133	630	254	31	17	6	322	160,962.01
C32	LIZ WILLIAMS	57	24	4	2	0	27	177	78	5	4	0	90	43,624.76
P03	LOW POOL	8	0	0	0	0	8	8	0	0	0	0	8	4,539.88
TJS2	TIM JAMES	137	1	0	0	1	135	143	3	0	0	1	139	963,238.30
WCC	DINORA CHIRINO	4	0	0	0	0	4	6	0	0	0	0	6	2,818.00
. . .														
. . .														
TOTALS		**8602**	**1821**	**148**	**57**	**42**	**6534**	**18729**	**4362**	**359**	**118**	**62**	**13828**	

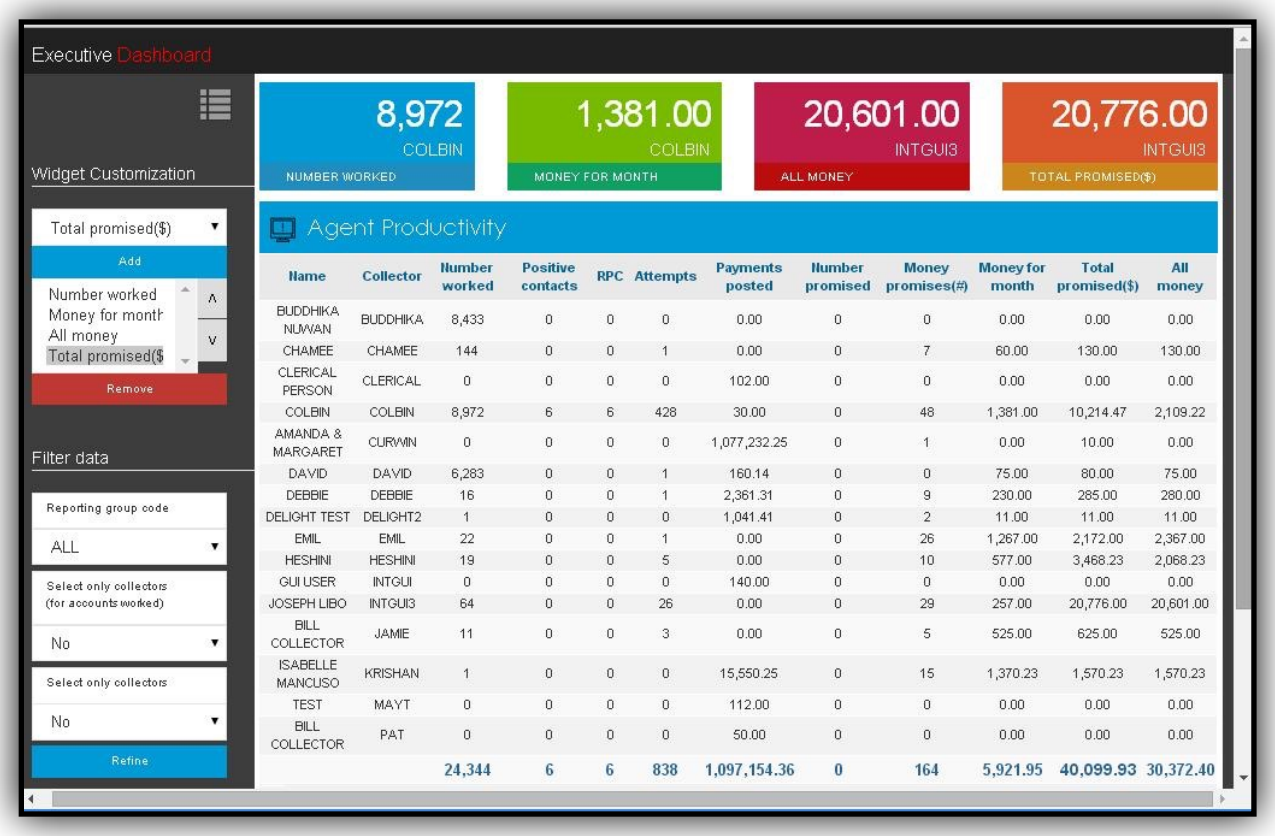
- The smart code summary report can be used to target individual users. The same report format can be produced for an individual user and easily identifies the total effort for the day at the collector level.

- Another view of production is offered by RMEx's time management reports. These reports analyze production by time of day (broken down by hourly periods)

- The last level of production detail you would require is offered by a display of accounts worked with the time spent on each account. This display will further allow you to select an account, view the account and look at what the collector did.

- We have a more proactive, real-time version of the above option. You can select an agent to monitor and follow at their current activity from your desk, while you enjoy your cup of morning coffee. The account number they are accessing, along with the time spent on the account is displayed. You can also go to the account from within the option.

- We have an executive dashboard that displays all agents of groups of agents, along with their production and results for the day. Screens will show production summaries, details, payments and promises, including the "money" transactions (credit cards and checks). Some clients have used this feature to display production numbers on a screen in the collector area. Following is a sample of one of the executive dashboard screens.



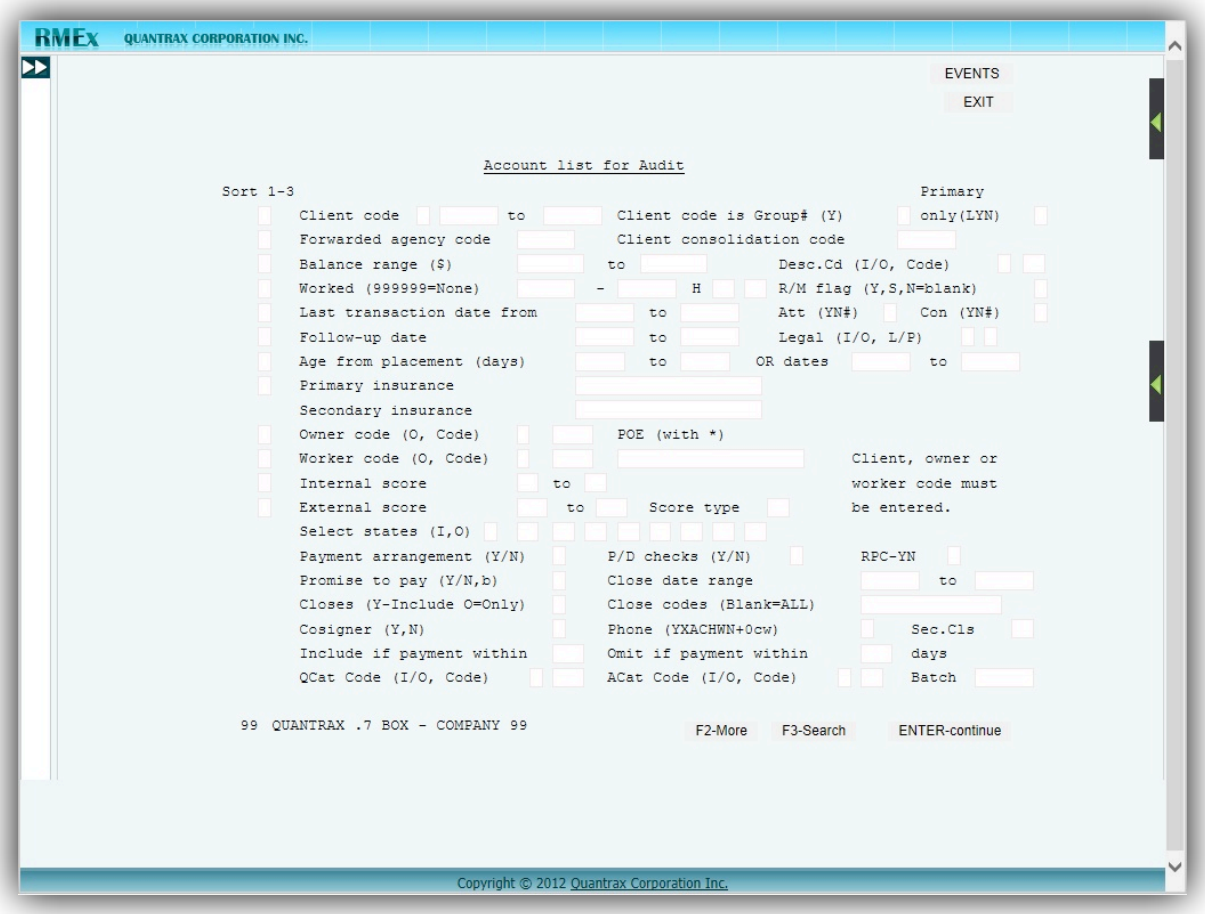
Name	Collector	Number worked	Positive contacts	RPC	Attempts	Payments posted	Number promised	Money promises(#)	Money for month	Total promised($)	All money
BUDDHIKA NUWAN	BUDDHIKA	8,433	0	0	0	0.00	0	0	0.00	0.00	0.00
CHAMEE	CHAMEE	144	0	0	1	0.00	0	7	60.00	130.00	130.00
CLERICAL PERSON	CLERICAL	0	0	0	0	102.00	0	0	0.00	0.00	0.00
COLBIN	COLBIN	8,972	6	6	428	30.00	0	48	1,381.00	10,214.47	2,109.22
AMANDA & MARGARET	CURWIN	0	0	0	0	1,077,232.25	0	1	0.00	10.00	0.00
DAVID	DAVID	6,283	0	0	1	160.14	0	0	75.00	80.00	75.00
DEBBIE	DEBBIE	16	0	0	1	2,361.31	0	9	230.00	285.00	280.00
DELIGHT TEST	DELIGHT2	1	0	0	0	1,041.41	0	2	11.00	11.00	11.00
EMIL	EMIL	22	0	0	1	0.00	0	26	1,267.00	2,172.00	2,367.00
HESHINI	HESHINI	19	0	0	5	0.00	0	10	577.00	3,468.23	2,068.23
GUI USER	INTGUI	0	0	0	0	140.00	0	0	0.00	0.00	0.00
JOSEPH LIBO	INTGUI3	64	0	0	26	0.00	0	29	257.00	20,776.00	20,601.00
BILL COLLECTOR	JAMIE	11	0	0	3	0.00	0	5	525.00	625.00	525.00
ISABELLE MANCUSO	KRISHAN	1	0	0	0	15,550.25	0	15	1,370.23	1,570.23	1,570.23
TEST	MAYT	0	0	0	0	112.00	0	0	0.00	0.00	0.00
BILL COLLECTOR	PAT	0	0	0	0	50.00	0	0	0.00	0.00	0.00
		24,344	6	6	838	1,097,154.36	0	164	5,921.95	40,099.93	30,372.40

- There are many options that analyze payments by collector. These payment results can be displayed on screens or reports. You can provide collectors with options to review the accounts for which they received payment credit for each day of the month. This can replace the common process of printing “payment sheets” for collectors.

- You may have encountered poor results from a group of agents. Why would that happen? One of the reasons could be that they were on a campaign that had a low recovery rate. Did the accounts have many phone numbers? Was the average balance very high? We can analyze a queue (campaign) and use the information to predict collectability or production results. The sample screen below shows you the analysis of a queue.

- Perhaps your collectors have too many accounts in their own queues and unable to work them effectively? The “Consumer/Case comparison reports” will show you the number of accounts in each agent’s queues as well as the number of consumers on payment arrangements, in a contact series etc.

- There are many options in RMEx to automate and target accounts without relying on supervisors and managers to run options throughout the day. Unfortunately, on-demand computing is a part of real life! You *will* have to one day, stop everything you are doing, and create a campaign of accounts placed between last November and February for a large client, and call them now, if they have a balance over $1000, a score over 550, have not had 5 attempts, and have a home or cell number. We have powerful features to accommodate such on-demand computing (although we do not think this type of planning should be the exception as opposed to the rule)! Following is one of the selection screens for an account audit. Enter the selection criteria. You will be presented with a list of consumers or accounts. You can continue to drill down using the sub-list feature. When you have what you want, select the option to create a campaign and you could be dialing the accounts in 5 minutes!



The ideas presented above should help you to formulate a strategy for understanding collector performance and analyzing your results. There are several reports and inquiries available to you in RMEx. You should run them when time permits, and then think about which options work best for you.

Payment processing

Processing financial transactions is an important part of any collection system. In RMEx we have a small set of payment codes that must be used to enter payments and balance adjustments. Balance adjustments do not appear on client statements. They affect the account balance and have an impact on the placement history report. Payments and adjustments are usually input manually or in the case of larger clients, using electronic interfaces (custom programs to load a file supplied by your client). Payment entry his not just about updating balances. A paper check usually has the most current information about the consumer and can be used to update important contact information.

The following flexibility is offered in the area of manual payment entry.

- You can research checks and other forms of payment and then enter them using RMEx's account number or you can search for the account and enter the payment in a single step.

- In addition to a payment code (paid agency, paid client etc.) and a secondary balance code (where you want the money applied to, whether it be primary, interest or court costs etc.) you can also enter a user-defined "Adjustment code" which can be used for reporting and analysis (E.g. check, money order)

- If there are linked accounts, you will be taken to a screen that allows you to distribute the payment across the individual accounts. There are different methods available for distributing a payment when there are linked accounts. Some examples are oldest account first, proportionately (give some of the payment to all of the links based on the account balances) and highest commission first.

- Payment entry gives you the opportunity to review an account and make changes to consumer information such as address or phone number (which may be on the check). In addition, you can capture the consumer's bank name. The payment entry program display key account information, and a trained employee can go directly to the account and make changes to the account.

- Payments are entered as a batch and can be edited. They can then be posted.

- A single payment could be distributed across multiple linked accounts and multiple balance types. If there is a returned check, you can enter a single transaction to reverse original payment *based on the way it was posted.*

- Different users can create payment batches. Each user can maintain multiple payment batches. At the end of the day, you can print reports that combine all the transactions and show you what was posted for the day. We have reports to help with bank deposits and to verify the totals for paid agency, paid client, deposits, NSF's etc.

- Some clients may want you to maintain a separate trust account for their payments. This can be set up at the client level. Payment reports can be separated by trust account code and used to identify the amounts that need to be deposited into each account.

When credit card payments (credit card series) and direct checks (post-dated checks) are set up, they can be loaded into a payment batch on the due date. Payments will be applied to linked accounts, oldest account first. You can edit the batch and then post the transactions. There is an option for description codes to warn the user when payments are applied on the account. This can be used to check for special rules and make sure payments get applied correctly (E.g. consumer requests that the payment is allocated to linked accounts in a special way).

With electronic payments, we would typically write a custom program to load the transactions into a payment batch. You would edit the batch and post the payments. With electronic loads, it is important that payments and adjustments are coded correctly. Any field you use in manual payment entry can be used with electronic loads, but the specifications will need to be discussed with the programming team.

Client reports

RMEx was designed with the belief that you can manage a successful collection operation with a few meaningful client reports.

We decided that those reports were:

- New business acknowledgement (list of new placements)
- Status reports (list of accounts)
- Close reports (list of closed account)
- Placement history reports (statistical report that tracks placements for a month and the results)
- Regression reports (How fast are you recovering money for each batch of placements)

Do not feel that these are the only reports we offer. We have these reports and many others that you may require less frequently. We also made it a point to offer you flexibility within a single report. Consider the placement history, also called a batch tracking report or recovery analysis in some systems. Most of those systems offer you one report as a part of the base system. We offer you hundreds! How? Why? What if you want to compute recovery percentage by taking balance adjustments out of the placement amount? Would it help to not show your commissions on the report for a client for whom you collect a lot of money? What about a report that has totals by fiscal year as opposed to calendar year? What about a placement history by placement amount, age at placement or zip code? How are you recovering for your student loans compared to your retail

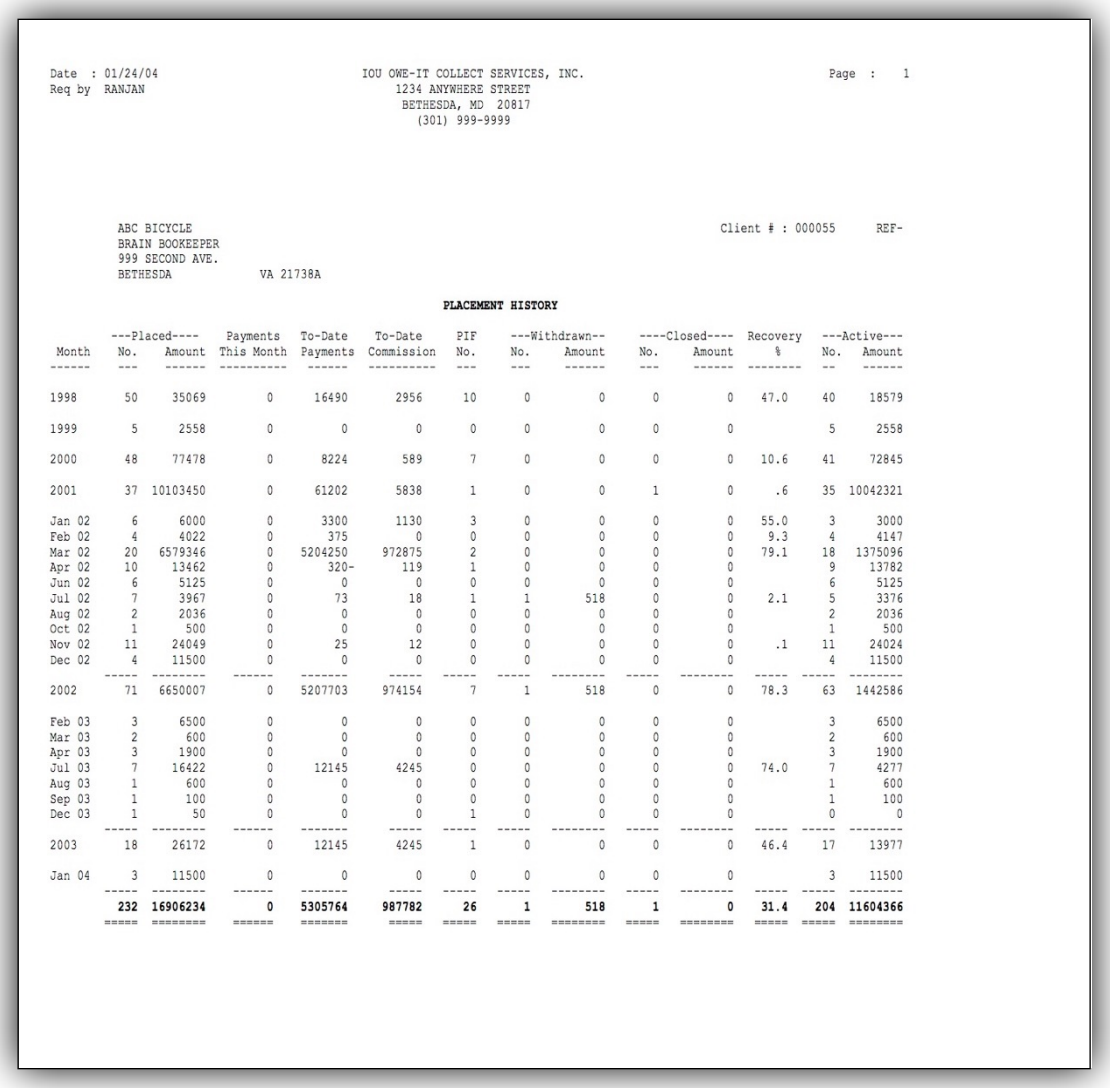
accounts? We offer all of these variations *as a part of our base system.*

Our design called for multiple delivery options of client reports -

- printed reports

- e-mailed reports
- pushing the reports to a report server from where they could be viewed or downloaded

As for the format of the reports, we can produce them in report format or as excel files. Here is a sample placement history report.



Date : 01/24/04 — IOU OWE-IT COLLECT SERVICES, INC. — Page : 1
Req by RANJAN — 1234 ANYWHERE STREET — BETHESDA, MD 20817 — (301) 999-9999

ABC BICYCLE — Client # : 000055 REF-
BRAIN BOOKEEPER
999 SECOND AVE.
BETHESDA VA 21738A

PLACEMENT HISTORY

Month	Placed No.	Placed Amount	Payments This Month	To-Date Payments	To-Date Commission	PIF No.	Withdrawn No.	Withdrawn Amount	Closed No.	Closed Amount	Recovery %	Active No.	Active Amount
1998	50	35069	0	16490	2956	10	0	0	0	0	47.0	40	18579
1999	5	2558	0	0	0	0	0	0	0	0		5	2558
2000	48	77478	0	8224	589	7	0	0	0	0	10.6	41	72845
2001	37	10103450	0	61202	5838	1	0	0	1	0	.6	35	10042321
Jan 02	6	6000	0	3300	1130	3	0	0	0	0	55.0	3	3000
Feb 02	4	4022	0	375	0	0	0	0	0	0	9.3	4	4147
Mar 02	20	6579346	0	5204250	972875	2	0	0	0	0	79.1	18	1375096
Apr 02	10	13462	0	320-	119	1	0	0	0	0		9	13782
Jun 02	6	5125	0	0	0	0	0	0	0	0		6	5125
Jul 02	7	3967	0	73	18	1	1	518	0	0	2.1	5	3376
Aug 02	2	2036	0	0	0	0	0	0	0	0		2	2036
Oct 02	1	500	0	0	0	0	0	0	0	0		1	500
Nov 02	11	24049	0	25	12	0	0	0	0	0	.1	11	24024
Dec 02	4	11500	0	0	0	0	0	0	0	0		4	11500
2002	71	6650007	0	5207703	974154	7	1	518	0	0	78.3	63	1442586
Feb 03	3	6500	0	0	0	0	0	0	0	0		3	6500
Mar 03	2	600	0	0	0	0	0	0	0	0		2	600
Apr 03	3	1900	0	0	0	0	0	0	0	0		3	1900
Jul 03	7	16422	0	12145	4245	0	0	0	0	0	74.0	7	4277
Aug 03	1	600	0	0	0	0	0	0	0	0		1	600
Sep 03	1	100	0	0	0	0	0	0	0	0		1	100
Dec 03	1	50	0	0	0	1	0	0	0	0		0	0
2003	18	26172	0	12145	4245	1	0	0	0	0	46.4	17	13977
Jan 04	3	11500	0	0	0	0	0	0	0	0		3	11500
	232	**16906234**	**0**	**5305764**	**987782**	**26**	**1**	**518**	**1**	**0**	**31.4**	**204**	**11604366**

Within the client master, you are able to specify what standard reports a client should receive, along with the frequency (daily, monthly etc.). Along with this information, you would specify a delivery option. At the end of the month, you would run one option and would receive reports for *all the selected clients* some printed and some e-mailed or sent to a report server for remote client access.

Credit reporting

Credit reporting is a "necessary evil" in the collection industry. There is much you have to do to comply with privacy and fair credit reporting rules. RMEx's role is to allow you to report accounts accurately and on time. Within this, we must offer flexibility based on the way you do business.

RMEx offers the following features.

- You can choose balance reporting or exception reporting (with exception reporting, accounts are reported when they are new, paid in-full or have a status change - for example, they have to be taken off the credit file because they were placed in error.
- We report in the Metro 2 format
- You select the placement dates and PIF dates to be selected. Reporting status is based on description codes you define (E.g. different types of bankruptcy, disputes and disputes resolved).

Once the options have been set up, you can run the credit reporting file creation. If you are converting to RMEx, we often recommend that you withdraw all of the accounts from the bureau and report the open accounts using RMEx.

After credit reporting has run, you select the backup option which allows you to create for Experian, Equifax, Transunion and Innovis.

It is important that you have a process for handling disputes, inquiries and consumer-related matters. These are some of the other requirements that fall within the area of credit reporting.

Remittance processing and client receivables

If you are an agency, remittance processing is arguably the most important reporting you ever do. Millions of dollars are reconciled and remitted to your clients. If money is owed to you, you need to keep track of it and make sure it is collected.

RMEx is not an accounting system but offers simple but powerful features for you to manage client receivables. For most companies, client receivables revolve around remittance processing. RMEx offers the following features.

- At the client level, you define the type of statement (gross, net, separate statements for reversals, legals etc.) as well at the statement frequency (weekly. monthly).
- Remittance statement processing is a date-driven feature. It is independent of the month-end reset which clears certain month-to-date numbers. In most cases, you will run month-end processing soon after all the placements and payments for the month have been posted. You do *not* have to run remittance processing at that time. You can wait a few days while you continue to enter payments for the new month, before you run remittance processing for the previous period.
- Some clients will not return monies you remitted, in the event that a check is returned. In these cases, you may have no choice but to delay the running or statements or find a way to keep check payments off your remittance statements for some period of time. RMEx has a powerful "Held checks" module that allows you to enter a check payment but not report it for a user-defined period of time.
- Remember that only reportable transactions appear on statements. Of course a non-reportable payment paid to the client will appear on statements, because it is your money and will need to be recovered from the client!
- You can run a preliminary statement summary or a statement test without changing any information. The final version of statement processing updates client receivables and cannot be re-run.
- RMEx can produce a trust report that can be used to show regulators that you have sufficient money in your trust accounts to pay your clients.
- Client statements and checks is an area that is often customized for individual companies. You could use preprinted forms or print on regular paper with perhaps, your logo. We can print checks or create a file that you can use to wire money to your clients.
- When remittance statements are run, the system will update client receivables. RMEx maintains an open-item receivables system, where you can track receivables at the invoice level. If a client owed you money for a prior period, and you owe them money from the new statement statement run, the systems will offset the prior receivables by applying statement credits. These transactions and any accounts receivable adjustments are tracked at the invoice level.

- When clients pay for commissions due, you will use the client-agency area of payment processing to enter the payment against a particular invoice.

Allowing clients to access the system

It is not uncommon for collection companies to play a customer service role for their clients. In some of these cases, clients will want to respond to consumer or internal inquiries by looking up their accounts on your system. RMEx will allow your clients to look up their accounts by using its “On-line client” module. This concept can be expanded to allow your clients to:

- Enter accounts
- Enter payments
- Close accounts and
- Run reports

You have control over what you allow a client to do and the information you want them to see. When you set up an on-line client, you will enter their User ID along with the client numbers they have access to. They will only be able to search for and access accounts that belong to one of the specified client codes.

Within the on-line client set up, you will be able to specify the following.

- Do you want your client to be able to see your notes?
- Can they close accounts? If so, what close codes can they use?
- Are they allowed to update information? On-line clients, if given access will be allowed to access a few fields such as the consumer's address and phone numbers

Several of the screens than you have access to will not be accessible to on-line clients.

What is RMEx's mobile strategy?

Mobile computing is arguably changing the way we do business. Whether it is for management or consumers, there are applications that can be built to allow the collection industry to take advantage of today's mobile computing power.

With RMEx, we have several initiatives as far as the use of mobile computing.

- We can push important collection numbers (payments and fees) to a manager's smart phone
- We can allow a salesperson to access client information using a tablet
- We can send important updates (placements or payments posted) to a client's smart phone
- We can allow a consumer to access their account and set up a check or credit card payment using a smart phone, tablet or personal computer. This is what is referred to as a "responsive application"

Mobile applications are difficult to develop because you need flexibility, and providing access to your data creates a significant security risk. Reviewing our mobile payment portal will help you to understand some of your options and the thought that went into the design of this system.

With the decline in the traditional PC market (predicted to decline 7.6%), consumer behavior is driving users to tablets, ultra mobiles and smart phones. We wanted something simple and powerful, and came up with a design that consisted of the following.

- We offer consumers secure and quick access to their account(s)
- We make them read a disclaimer and agree to the terms and conditions
- We display the total linked balance
- Allows a credit card or check payment
- We display address, e-mail and phone numbers, and allow changes to be entered
- We apply the payment to RMEx

The process has to be secure for you and your customer. This means your system must never be directly exposed to the public. The user must be accurately authenticated and sensitive data must be encrypted during transmission.

Here is a representation of the infrastructure.

Here is a summary of the features that make this solution secure from end to end.

- The connection between the server and consumer is encrypted using SSL
- Any exposed consumer data has no value - even this data is encrypted
- Credit card and banking information is secure
- Multiple failed login attempts by a consumer will block access to the system from the originating IP address - the consumer will have to call the office to restore the connection
- Transaction and process logs are encrypted
- We use PHP for the browser / server link (Processing is done on a server behind the firewall)
- Methods and IP addresses cannot be accessed
- Between the firewall and the server, access to consumer data is limited to one IP address, with only one port being opened
- Between the server and the iSeries or i5 (RMEx data), CRC (Cyclic redundancy checking) ensures that attempted access by unauthorized users is disallowed
- Presently, the connection between the server and the RMEx data (it is a physical network connection) is not encrypted - We will be encrypting this connection using SSL in the near future
- RMEx data is only accessed by our programs

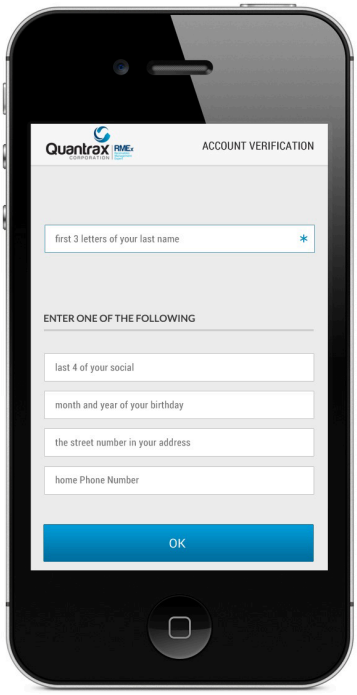
The result? Transactions are secure from end to end. How does the process work?

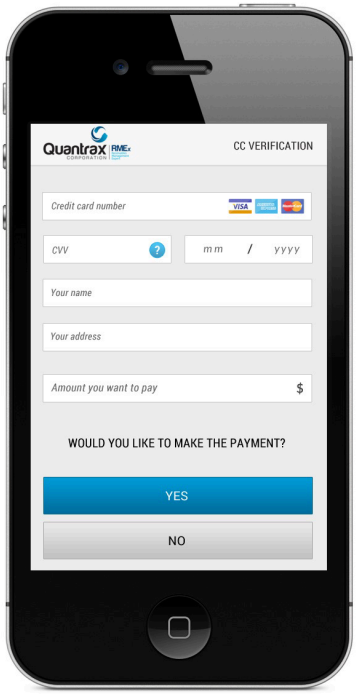
- On letters, you provide consumer's account number (11 digits - RMEx company code + account number)
- Consumer enters an account number. If it exists on the PC server, we display a user-defined "disclaimer"

- User must enter the first 3 characters of the last name AND (Last 4 of SS# OR month and year of birth OR home/cell phone number)
- If the information matches, we show basic data and linked balance
- We ask “Would you like to make a payment?”
- “Check or credit card?”
- Information is requested and entered based on the payment method
- Confirmation is requested
- Payment is accepted (credit card can be authorized)
- User is asked to check the address, e-mail address and phone number and update them if required
- New information is written to the notes. Users must review and update the account as required
- A user-defined smart code is applied when a payment is added
- A user-defined “thank you” screen is presented!

This is a high-quality mobile application designed ground-up using modern, native PC technologies.

Here are some sample displays from an iPhone.





This solution is a single responsive application, a single product that works with a computer, tablet or smart phone. There is nothing a user has to download. All they need is a browser. We realize that this may not be everything that everyone would like to have. It was designed to allow consumers to enter a transaction quickly and easily. We believe that has been accomplished.

Some other important things you should consider:

- This is simple for you and the consumer
- It works with PC's and all mobile devices
- It requires no proprietary software
- It does require a PC server (a cheap PC)
- The GUI is not required to run this application
- The application is extremely secure
- It is a world-class technical solution and consumer experience

There is some set up required with regard to the hardware and security infrastructure. This is easily accomplished with a few technical resources at your office.

What about management and your clients?

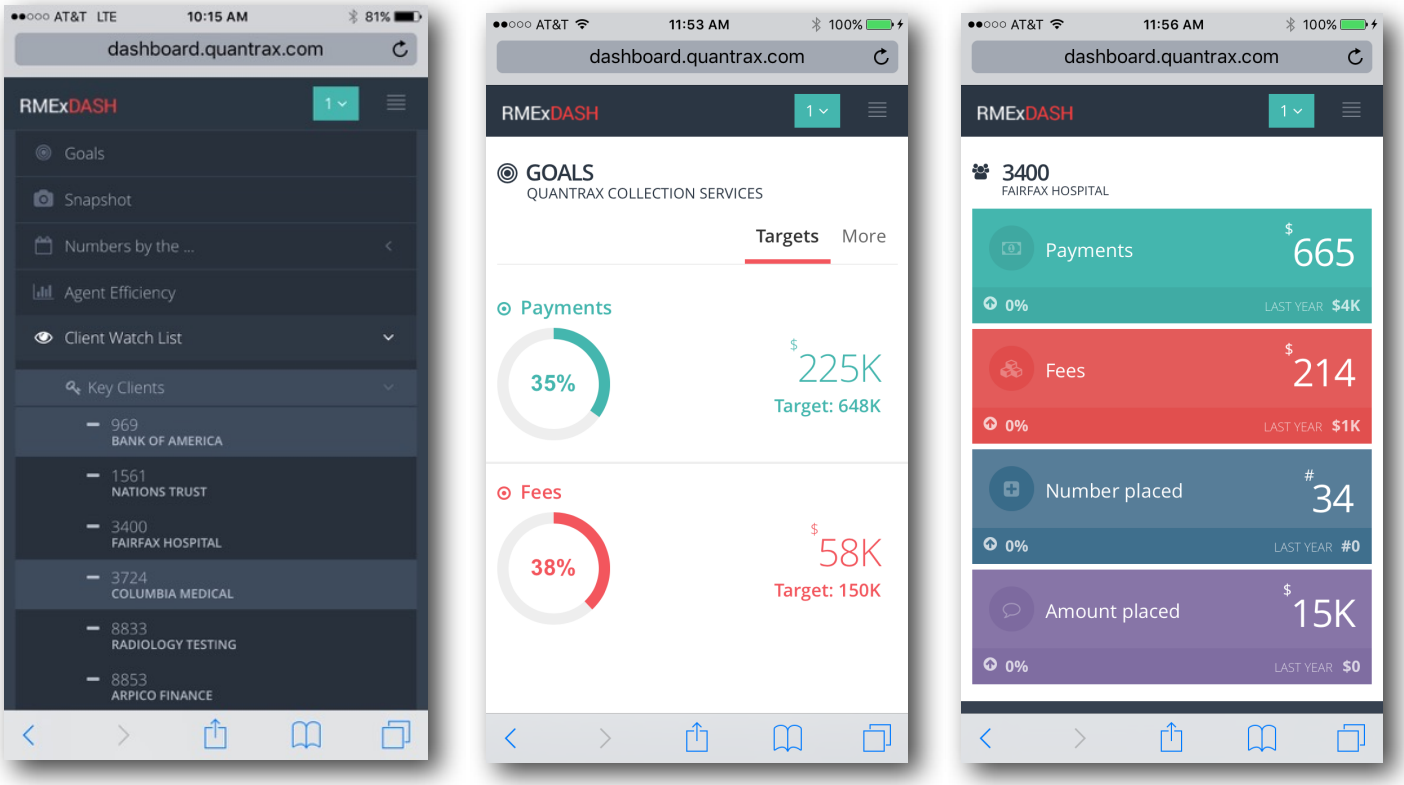
We have two offerings.

- A dashboard for owners and managers, with fast and accurate access to payments, fees, comparison with prior months, money for the rest of the month, agent efficiency, key clients and client comparisons
- A dashboard for individual clients, in addition to updates on business posted, and payments processed (compare it to a "Twitter" for your clients)

This is *modern mobile technology.* Very briefly:

- Key numbers are pushed to the Amazon cloud
- The application is built on "Bootstrap" and "AngularJS" frameworks
- It is insanely fast, memory and bandwidth efficient and very future-proof
- Bootstrap is built and maintained by Twitter (helps nerds do some awesome stuff on the web)
- AngularJS is built and maintained by dedicated Google engineers

Here are some sample screens.



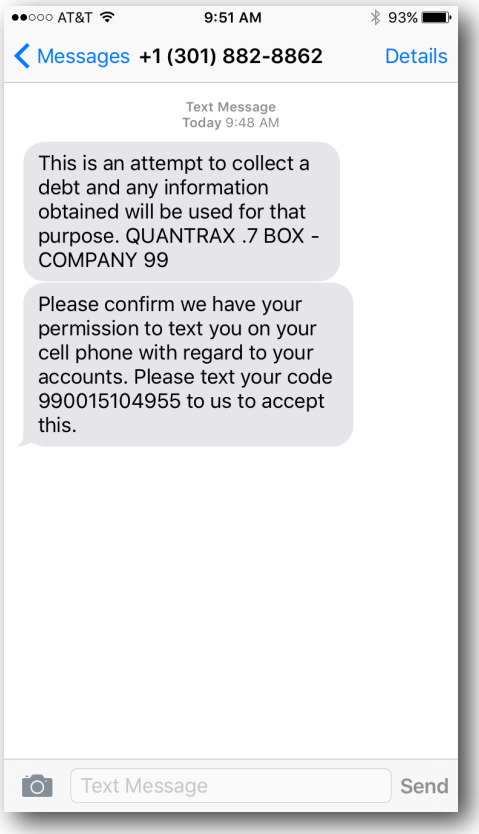
We have also tried to anticipate the future and have invested in contact strategies that could help you reach more customers. We have created features to allow a consumer to contact you (initial contact is from the consumer) via text messaging. It works as follows :

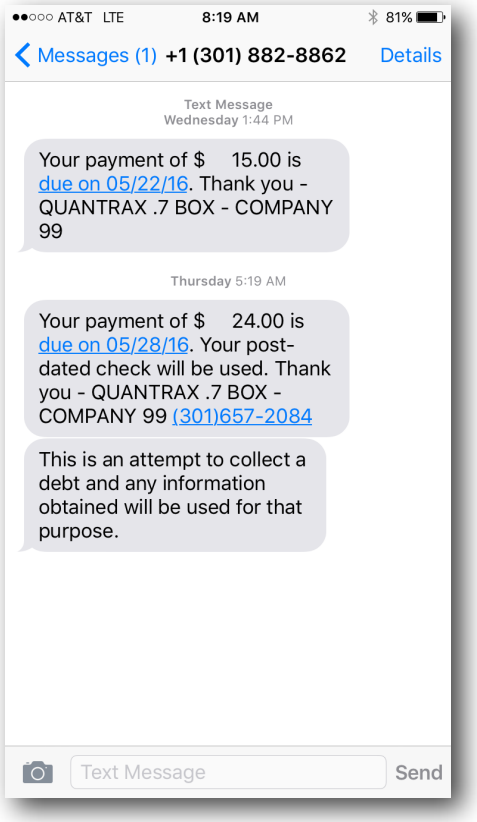
- Consumer texts your company with an account number (Company code and your account number)
- The system authenticates the consumer
- The conversation is transferred to an available agent
- The agent can respond to requests by selecting a response from a list of messages set up by management. The agent can be set up to not key in any free form text
- The conversation history is logged in a separate area

And what about outbound messaging? We have some powerful features you will consider using!

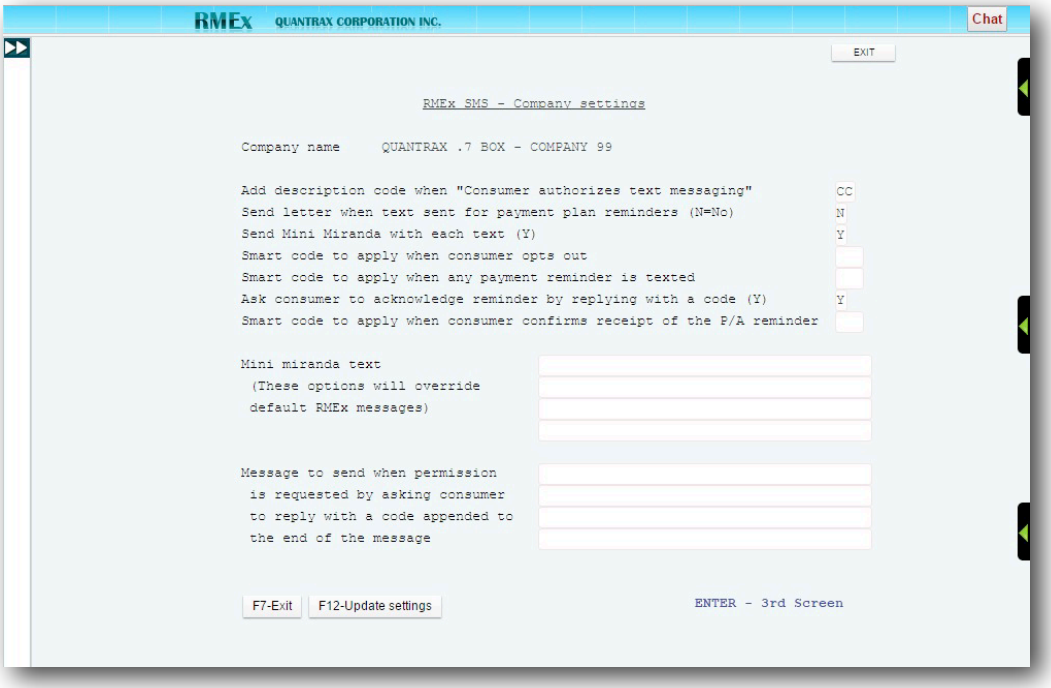
- During a conversation, an agent can ask for permission to use text messaging for account notifications
- If the consumer agrees, a smart code is entered and a text message is immediately sent out
- The consumer accepts by replying with a code that was included in the message
- The agent is notified when the consumer responds - the account is immediately notated
- Payment reminders (credit cards and post-dated checks) and payment receipts can now be sent via text message! Consumers are able to respond that they received the text message. Smart codes can be applied when a consumer confirms receipt of the text message reminder

Here are some examples of this application in use.

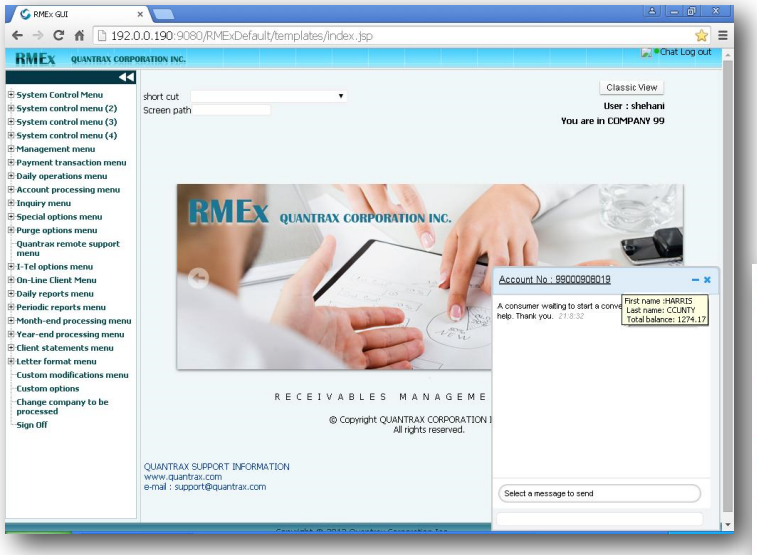


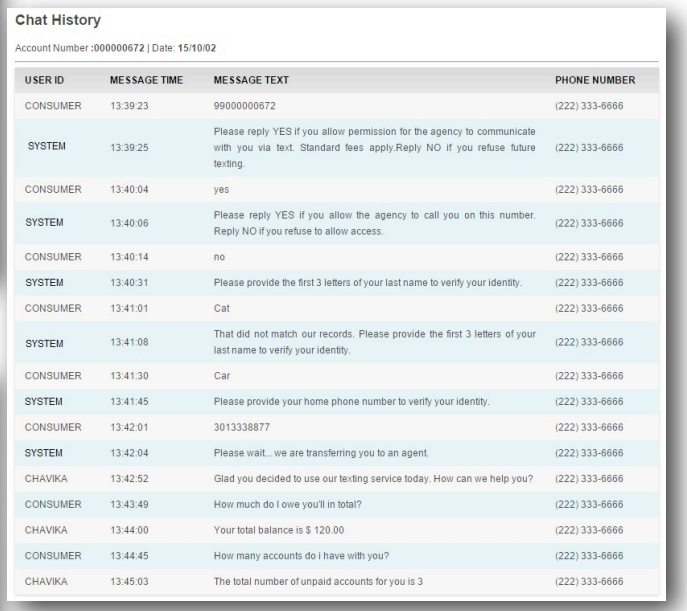


As always, you have complete control over the set up and use of the features.



What about text messaging to contact consumers? Most companies will stay away from this because of legal concerns. RMEx now includes options that can take away many of the legal concerns surrounding text messaging, *(Please obtain your own legal advice)*. How is this possible? Simple. All text messaging conversations are initiated by the consumer. Consumers start by sending a text message to your company. They are authenticated by the system and if agents are available they are transferred to an agent. The agent safely responds with “standard” messages that can send out mailing addresses, phone numbers or balances, with no chance or an error due to irresponsible actions! The following screens illustrate the way in which this exciting feature works.

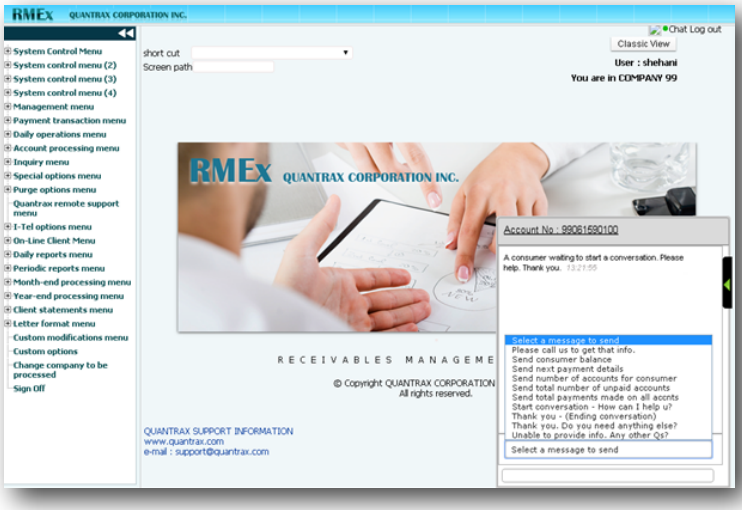




Chat History

Account Number :**000000672** | Date: **15/10/02**

USER ID	MESSAGE TIME	MESSAGE TEXT	PHONE NUMBER
CONSUMER	13:39:23	99000000672	(222) 333-6666
SYSTEM	13:39:25	Please reply YES if you allow permission for the agency to communicate with you via text. Standard fees apply.Reply NO if you refuse future texting.	(222) 333-6666
CONSUMER	13:40:04	yes	(222) 333-6666
SYSTEM	13:40:06	Please reply YES if you allow the agency to call you on this number. Reply NO if you refuse to allow access.	(222) 333-6666
CONSUMER	13:40:14	no	(222) 333-6666
SYSTEM	13:40:31	Please provide the first 3 letters of your last name to verify your identity.	(222) 333-6666
CONSUMER	13:41:01	Cat	(222) 333-6666
SYSTEM	13:41:08	That did not match our records. Please provide the first 3 letters of your last name to verify your identity.	(222) 333-6666
CONSUMER	13:41:30	Car	(222) 333-6666
SYSTEM	13:41:45	Please provide your home phone number to verify your identity.	(222) 333-6666
CONSUMER	13:42:01	3013338877	(222) 333-6666
SYSTEM	13:42:04	Please wait... we are transferring you to an agent.	(222) 333-6666
CHAVIKA	13:42:52	Glad you decided to use our texting service today. How can we help you?	(222) 333-6666
CONSUMER	13:43:49	How much do I owe you'll in total?	(222) 333-6666
CHAVIKA	13:44:00	Your total balance is $ 120.00	(222) 333-6666
CONSUMER	13:44:45	How many accounts do i have with you?	(222) 333-6666
CHAVIKA	13:45:03	The total number of unpaid accounts for you is 3	(222) 333-6666



What are the compliance features offered by RMEx?

Compliance means many different things to different users and software vendors. RMEx takes compliance very seriously. It can be argued that compliance has become more important than collections. Our goal was to build a system that created compliance without depending on an agent to never make a mistake! The following summarizes our vision. You could say that compliance begins with security. Here is a summary of our security features.

SECURITY FEATURES

FEATURE	NOTES
Access to features and information can be restricted based on role and responsibilities.	
Options accessed are documented and can be viewed by management.	
Access to clients can be allowed or restricted at the user level.	
Access to accounts could be restricted based on the consumer's state.	Used when collectors have to be licensed in specific states
Users can be forced to authenticate a consumer prior to viewing account details. Information used for authentication is defined by each company.	
If an account is viewed but no "access footprint" is left on the account, the system can add a note that the account was viewed by a specific individual.	Closing the session window will also add a note.
Access to medical records and related information can be restricted by user.	
Client and patient information as well as account notes can be hidden for selected users.	E.g. Users entering returned mail do not need to view client or patient information.
Key information such as social security numbers, credit card numbers or bank account numbers can be partially masked based on a user's role.	
Key financial information and social security numbers are encrypted at rest.	Client account number can also be encrypted and masked.
Our hardware platform, the IBM i5 (formerly known as the AS/400 and iSeries) offers the highest levels of system security. This platform has been awarded a C2 rating for security.	C2 is a security standard defined by the U.S. government in the Department of Defense Trusted System Evaluation Criteria.

Dialers offer great efficiency with the ability to quickly work very high volumes of phone numbers. If dialers are not properly managed; they lead to complaints and the violation of some basic rules. A majority of the complaints about dialers relate to nuisance calls (canceling calls before the consumer is able to get them to the phone, or dead air when the call is picked up), and calling outside of the permitted hours or calling cell phones if they should not be called. Here are some dialer-related features that will make you think!

COMPLIANCE FEATURES RELATED TO DIALING

FEATURE	NOTES
When making predictive calls, our dialer does not cancel calls.	Phone is allowed to ring for a minimum period or number of rings.
Dead air is minimized because we do not use traditional pacing methods for predictive dialing.	
Our dialer can call effectively at a 1% abandoned rate. Abandoned rate is managed by the dialer and not by supervisors as is the case with most other systems.	Abandoned rate - ratio of cancelled and dead air calls to live calls
To determine the allowed calling period, we can look at *all* the numbers on an account and the consumer's state. States with multiple time zones are handled in different ways.	
For the most conservative approach, we can look at telephone exchange and zip code to determine the best time to call.	Most conservative = Most restrictive, based on all of the available information
Toll-free numbers are considered in the calculation for allowed calling period. They can be ignored.	
Daylight savings time is factored into all calculations.	
Some states specify that IVR calls are only placed during specified hours of the day. We allow this to be specified at the state level in addition to special times for predictive calls.	
While users can opt for the most conservative calculations (the safest approach), they can override many of the options to give themselves more flexibility.	
Since most companies have desk phones, the system can mask phone numbers when they should not be called. This will prevent a collector from calling out of time zone using a desk phone.	Numbers are protected and not displayed, along with a special message.
We have cell phone scrubbing software to identify cell phones and take user-defined action in real time. This applies to new accounts loaded into the system and information later changed or added.	
By running the ported number update, existing information is analyzed by the system and updated.	Cell phone data must be purchased.
Permission to call cell phones can be obtained and notated against the number. Predictive and preview calls can be restricted to cell phones with or without prior permission to call. Flexibility is offered at the company and client level, depending on the option.	

Flexibility is available at the company and /or client level, depending on the option.	
Numbers can be defined as “Do not call numbers”. They will not be called when this happens.	Defined at the company or account level.
You do not want calls to cell phones to be made through the dialer.	These calls can be always launched through the PBX and documented.
If a consumer does not want to be called at specific times on certain days of the week, this is easily set up within “Inconvenient times to call”	

As you can see, RMEx offers a long list of systemic solutions designed to take manual control and the resulting risks away from your agents. It is simply a matter of setting it up once and walking away.

One of the more recent compliance requirements has been the need to obtain “express consent”. RMEx’s response is to allow you to force an agent ask for express consent each time they have an RPC. If you want to relax those rules, you can have the agent ask for express consent once, and then when new accounts are posted for the same consumer or when new phone numbers are added. Here is an example of an account where consent was obtained.

It started with clients adopting a defensive posture and instructing agencies on how they should work their accounts. In a relatively short period legislation has been introduced by states and cities. Compliance requirements have widened quickly and can often be questioned with regard to their interpretation. We believe that it is not our responsibility to interpret the rules, but that we have to provide our clients with the technology to manage their businesses effectively, while staying within the guidelines of any legislation, regardless of how they choose to interpret those rules.

COMPLIANCE FEATURES FOR STATES, CITIES AND CLIENTS

FEATURE	NOTES
We handle state licensing requirements. If a company does not have a license to work in certain states, accounts received for those states can be handled in many ways.	Processes are fully automated.
The system will ensure that the validation notice is sent out after an attempt or contact is made.	Users can make phone calls prior to sending the validation notice.
Calling rules (maximum "footprint calls" for a day or a given period) as well as the number of calls to individual phone numbers, types of phones (home, work, cell) or the consumer, can be defined.	
The maximum number of messages that can be left by individuals or a dialer can be managed.	
Attempts, messages and connects can be separately counted.	
There are options to define a demand letter as an attempt, and to treat a message as a contact.	Required by some states.
Rules can be set up at the state or city level.	Zip and/or area codes can define a city.
Letters can be changed or stopped based on different states or cities.	Cities are set up as zip/area codes.
Collectors are notified when states require that you inform the consumer that calls are being recorded.	
Some states require that if a home and work number exist, the home number be attempted and the work number tried only a given number of days later. We systemically manage this rule.	Work numbers will be masked so they cannot be accidentally dialed.
Third party numbers can be systemically disabled so that they are not contacted multiple times.	Each phone code must be set up to indicate the type of number.
If clients insist that cell phones should not be called using a dialer, we can make sure these numbers are not called through the dialer. We have methods of counting and tracking these manual calls.	
Predictive or preview calls to cells can be stopped at the company or state level	
Predictive or preview calls (autodialer calls) to *any* number can be stopped at the state level.	Permission can also be checked
Some cities require that the details of a payment arrangement be printed on a notice.	We can print amounts and due dates

What are the options for clerical functions?

Clerical functions play an important role in a collection operation. The ratio of clerical support people to collectors is a good indicator of your efficiency. If that ratio is high, you may be doing more manual work than is necessary. Unfortunately, many collection platforms do not offer the levels of automation that allow you to do a great deal of collection support work with only a few people.

With RMEx, we classify clerical support as helping in the following areas:

- Manual entry of new accounts
- Payment entry (We discussed this in a separate area because we felt that processing financial transactions was important enough to be separated from other clerical operations)
- Getting mail to your mailing service
- Processing returned mail. With RMEx, you would add powerful system thinking to look at many conditions and make a decision each time mail was returned.
- Analyzing linking reports and making decisions on accounts that need to be manually linked
- Running reports. E-mailing them to clients
- Communicating with clients to verify payments, handle disputes etc.
- Handling credit reporting inquiries
- Running the credit reporting file creation
- Updating bankruptcy and deceased records using outside information
- Electronically loading new business and payments
- Skip-tracing work
- Preparing accounts for legal follow up

With RMEx, we try to make the system do as much work as possible. As an example, reports can be e-mailed directly from the system. All a collector has to do is apply a smart code to say the consumer is disputing the account or requires an itemized statement, and that information request can be sent to the client the next day. You closed a group of accounts but now need them opened because the consumer called and offered to pay? This can be initiated by the collector setting up the promise to pay.

You should take the time to understand the features of RMEx and take advantage of the levels of automation that allow you to efficiently provide the complex support needed during the collection cycle.

What is nightly processing in RMEx?

Every collection system has some type of day end or nightly process. In RMEx, nightly processing can run automatically every day. It can be started while people are working, though this is not necessary. There is a relatively short period during which a dedicated system is required.

Depending on the machine you have and the number of open accounts on the system, nightly processing can take from a few minutes to a couple of hours. Our processes are very efficient and run quickly on a newer machine. RMEx is a multi-company system but nightly processing will run for all companies in a single step.

Some of the things that take place during the nightly processing are:

- Account linking
- Interest calculations
- Contact series processing and contact series letter generation
- Selected letter processing (letters requested by agents)
- Payment arrangement, post-dated check and credit card letters, as well as updating amounts due for payment arrangements
- Processing of smart codes applied within nightly processing
- Printing of letters, along with a letters printed and a letters failed report
- Building new work queues
- Creating dialer campaigns
- Clearing the daily transaction files
- Backing up data and important libraries

Month-end and year-end processing

These options reset month-to-date and year to date numbers and reset statistics in some other files. The process is simple and in a multi-company environment, you can run the options for each company, or run a single option for all companies (this is faster).

How long do these options take to run? They can run in a few minutes, and you do not have to have anyone off the system!

Archiving accounts

In RMEx, you can retain accounts for very long periods of time. Today's inexpensive hardware and our efficient software allow you to keep accounts on your system for many years. But do you want to do this? Remember that you can close accounts and stop them from being queued for work. Keeping closed accounts on your system (specially the paid accounts) allows new accounts to link to them and provide valuable information about what happened in the past. Our intelligent system can automatically make decisions based on the past! As an example why work a new account that is with a consumer who has over 5 accounts, we have had many RPC's and never got a payment? We can change course the moment the account is linked, without anyone ever touching the account!

Assume you close accounts in a timely manner, RMEx will allow you to keep them around for a long time, without affecting the performance of the system. For example, running a status report for a client with 10,000 open accounts would take the same time whether the client had 20,000 closed accounts or 200,000 closed accounts.

It is important that you close accounts based on statutes. RMEx has a feature you can set up at the state level to automatically close accounts when they reach a certain age (there is flexibility to handle paying and legal accounts).

Once you have closed an account, you can archive it (RMEx calls it purging) based on the close code. You can tell the system how long you want each close code to stay on the system, and look at linked accounts individually or as a group. You can tell the system not to purge any linked accounts unless all of them qualify. Accounts, notes, payment history and other information will be deleted from your system and a "purge record" will be created. This retains all of the most important account information. You can also retain payment history. You can inquire and search for a specific consumer in the purged files. A purged account can be electronically re-opened if required. Payment edits will also identify payments from accounts that have purged accounts!

In conclusion

This manual was designed to give a new manager with no experience with RMEx, a good overview of what the system can do. It was intended to create curiosity to learn more about the product by going into some of the more detailed documentation we have on the system. This document will also help experienced users to review and learn about features of RMEx that they may not currently be utilizing. We have many hours and pages of audio, video and text that will also help you to learn more about this great product.

Please send comments and suggestions to support@quantrax.com