



United Credit Service Inc.

Licensed Debt Collection Agency

Your ARMor

The UCS Newsletter, providing accounts receivable management and debt collection insights.

With the commitment to maintaining the important balance between

Results and Relationships.

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Gratitude

Hi Shirley,

thank you for always treating me with respect when you would call. I'm sure you're their #1 collection person. Could you please send me the paid in full letter for both accounts.

Sincerely,

a consumer

Dear Cathy,

Thank you for all of your help.

Best,

a consumer

Greetings!

Back in March I wrote a blog entitled, "[So Many Opportunities, So Little Time](#)." Basically it's about how leaders are constantly under scrutiny and how we should use all the attention as an opportunity to lead. Do you remember the old Bruce Willis movie "The Sixth Sense"? Haley Joel Osment had a sixth sense which he divulged by whispering to Bruce, "I see dead people." I'm kind of like that too, except I see opportunities. And like young Haley's character, Cole Sear, I see opportunities everywhere.



I feel lucky to possess the ability to see opportunities, especially since so many hide in places a lot of people rarely look--like in blunders. Studies show that when a company (or person) makes a mistake, admits to it, and handles it constructively, the mistake will not damage their brand as feared. If handled properly, they'll actually have a valuable opportunity to gain respect and loyalty. Not only can the company get a second chance--they can end up better off because of it. It's said that people tend to remember *how* a mistake is handled clearer than the mistake itself.

I'm certainly not suggesting you go around making mistakes on purpose, but after recognizing a "my bad" situation, it is important to see ways to turn adversity into opportunities for success. Just like the old M.H. Alderson quote, "If at first you don't succeed, you're running about average," you need to look for opportunities so you can try, try again.

I know some people don't believe in second chances, but the thing is, second chances rarely come by chance. Many people don't realize that every first

Thanks for your understanding on me paying my bill.

a consumer

I want to thank you and let you know how much I appreciate your understanding. Please tell the agency to continue to be nice and understanding. There are people who appreciate it.

Thank you so much again,

a consumer

chance is filled with the potential for second chances, not to mention third or fourth. It's important to understand that even if things don't work out the first time, it doesn't mean the vision cannot be realized. You just have to be open to the possibility and use it as an opportunity for the second chance to succeed.

Collection agencies provide businesses with a second chance (or maybe a third) to collect money owed to them. If you are a current client, thank you for the opportunity to serve you--we appreciate your business. If you are a prospective client, we'd love to hear about your collection issues so we can tailor a solution to meet your needs.

Best regards,



Debt Collection and Bankruptcy; What's a Creditor To Do?

by Lisa B



In the United States, bankruptcy is supposed to benefit both the debtor and the creditor, but when people talk about bankruptcies the focus is typically on the debtor. But what about the creditor?

There is a list of dos and don'ts for creditors when a bankruptcy is filed. If you are a creditor and someone who owes you money files bankruptcy, all debt collection activities must cease immediately. It's also

important to determine whether the debt owed to you is secured or unsecured. The easiest way to understand the difference between the two is secured debt has a tangible item that is attached to it, like a home mortgage or car payment--something that can be taken back if the debt goes unpaid. Examples of unsecured debt would include credit card, medical debt, and payday loans.

Depending on the type of bankruptcy the debtor has filed, creditors who hope to get repaid will need to submit a claim to the court and do so within a designated time frame. Secured debt always has to be repaid--especially if the debtor wants to keep their home or car. The same is not true with unsecured debt. One of the main reasons debtors file for bankruptcy is to get rid of their unsecured debt--or as much

of it as they can.

Let's start at the beginning. Bankruptcy is governed by the federal law found in Title 11 of the Code of Law of the United States. And as a federal law, it supersedes state laws. The bankruptcy code permits anyone who files bankruptcy to keep basic assets believed essential for a "fresh start" after bankruptcy. Those basic assets are the debtor's "exempt property." With the exception of those exemptions, bankruptcy is the same state to state.

There are different types of bankruptcies outlined in the U.S. Bankruptcy Code. Each type is identified by the chapter of the code that describes it.

Chapter 7 Bankruptcy: This is the most commonly filed form of bankruptcy and is available to individuals, couples, corporations and partnerships. Even though they are common, not everyone qualifies for a Chapter 7. If someone earns more than the median income in their state they'll have to take a "means test" to determine eligibility. Chapter 7's are frequently referred to as a *liquidation* bankruptcy or *complete* bankruptcy. When a Chapter 7 Bankruptcy has been filed, a trustee will collect and sell the debtors nonexempt assets (if there are any) in order to make distributions to creditors in accordance with the law. Most Chapter 7 cases receive a discharge, releasing the debtor from personal liability for certain dischargeable debts.

Chapter 13 Bankruptcy:

This is a repayment plan designed for individuals who have a regular source of income and a desire to pay their debts, but currently cannot. In a Chapter 13, the debtor usually is allowed to keep their property. The debtor may propose a payment plan (generally 3-5years long) illustrating how they will repay their creditors. This arrangement must be approved by the Court and payments are made to the creditors through a trustee. The debtor is then protected from lawsuits, wage garnishment and actual contact with their creditors for the designated length of the plan.

Chapter 11 Bankruptcy:

This is a reorganization proceeding typically used for corporations and partnerships. However, increasingly, high net worth individuals are using Chapter 11's to restructure their personal finances. In a Chapter 11 bankruptcy the debtor usually keeps their assets and continues to operate their business-under the oversight of the court and a committee of creditors. The debtor proposes their reorganization plan, once accepted by a majority of creditors it must be confirmed by the Court.

Chapter 12 Bankruptcy:

This is a simplified reorganization proceeding for family farmers or family fishermen modeled after Chapter 13 Bankruptcy. The debtor is allowed to keep their property and they pay their creditors out of future income. In the case of a Chapter 12, the court may grant a "hardship discharge" even if the debtor fails to complete their payment plan. This generally happens only if the debtor is unable to pay due to no fault of their own or because of circumstances beyond their control.

Let's recap, if you are a creditor and a debtor has filed bankruptcy you should:

- **Stop all debt collection activities.** This would include telephone calls, mailing billing statements, or pending law suits. The automatic stay protects the debtor from *any* collection activity.
- **File a proof of claim.** The bankruptcy notice sent by the court clerk will provide you with information regarding where to file the claim and the deadline for filing. Be prompt when filing, deadlines are strictly enforced.
- **Determine if your claim is for secured debt or unsecured.** Creditors of secured debt have a lien giving them rights to the property, which provides them collateral for their claim.
- **Is your claim dischargeable?** There are certain kinds of claims that are not dischargeable like certain obligations arising in divorce, debts incurred by fraud or damages arising from drunk driving.
- **Monitor the case.** Some bankruptcies are dismissed because the debtor fails to comply with the requirements. If this happens, creditors can pursue collection activity in accordance with the law.

America, Land of the Second Chance

by Harry S

Everyone has heard of the phrase, "You have been given a second chance."

For some people the reality of this means they got lucky. They have probably damaged some aspect of their life and think another opportunity will emerge to make things right. If a second opportunity does rise again, chances are, the same mistakes will be made. Nothing has been learned by being given this challenge. They have missed the message.

For others, the opportunity of a second chance, is a new beginning, the ability to right a wrong, to encourage love, to ask for forgiveness. For them it can be life altering.

If humans are in the picture, mistakes will occur. Whether the mistake is an error in judgment, a result of incomplete planning or, due to inexperience with the task at hand, you and I will make mistakes. We are humans.

Our response to a mistake is the impetus to personal growth, or the bane of personal stagnation. Along that same train of thought, I believe America's collective response to our collective mistakes is a character strength in our great country. In America, our foundation is built on how we respond to a mistake. We believe the road to success is paved with failure, roadblocks, hurdles, and potholes. Consequently, we Americans tend to root for the underdog, the failure, the loser, the castaway, who will fight for a second chance at victory. We cheer a person responding to adversity by how they dust themselves off after falling. I think this cultural characteristic is why we are a forgiving bunch, too.

Americans believe in Second Chances.

President Bush Signed into Law the Second Chance Act of 2007. On April 9, 2008, President Bush held a press conference to officially sign the Second Chance Act. At the press conference, President Bush stated, "I'm about to sign a piece of legislation that will help give prisoners across America a second chance for a better

life. This bill is going to support the caring men and women who help America's prisoners find renewal and hope." The legislation formally authorizes key elements of the successful Prisoner Reentry Initiative (PRI), announced by the President in 2004, to help prisoners effectively reintegrate into the community.

7.7% of Americans don't have a bank account, but not everyone is unbanked by choice. If your ChexSystems score affects your ability to open a regular checking account, you still have a chance to put yourself on the road to financial security with a Second Chance checking account. A Second Chance checking account is like a checking account for those individuals with bad credit.

There is the Federal Housing Administration's Second-Chance Home Financing Program. Federally backed mortgages are often a borrower's best chance of obtaining affordable second-chance home financing 12 months after repossession. The Federal Housing Administration, for example, offers eligible borrowers its "Back to Work" second-chance mortgages. The FHA requires Back to Work mortgage applicants to document that they lost their old homes through circumstances beyond their control. Provable loss of income that led to home repossession as well as an improving credit history are two requirements an FHA Back to Work mortgage applicant must meet.

How many Americans have married twice? Americans believe in second chances when it comes to our relationships, too.

We even provide animals a second chance. For example, Operation Second Chance, or Jail Dogs, started in February 2010 as a partnership between Sheriff Butch Conway and the Gwinnett County Sheriff's Department and Society of Humane Friends of Georgia. The program saves dogs from Gwinnett County Animal Control, vets and trains them, and offers them for adoption. Since the program's founding, over 200 dogs have been rescued, vetted, trained, and adopted into new families. In addition to saving dogs, we're also benefiting the inmates, giving them new skills in dog training and handling, as well as learning to care for something other than themselves and the knowledge that they have made a positive difference in a dog's life.

We even provide lottery losers a second chance! Every week 10 lucky lottery players win \$1,000 in the Lottery Super Second Chance drawing. Mail in your non-winning tickets for a second chance at a great prize! Unbelievable!

Politicians are even getting in on the popularity of second chances. Mark Sanford winning a special election last year for US Congress in NC after revelations of extra marital affairs in South America while he was governor of NC. Also, Eliot Spitzer and Anthony Weiner in New York ran for political offices, but were rejected by voters in the end. Americans may be forgiving, but not gullible.

America provides rules and laws on how to comply with a second chance at collecting your unpaid bills, too. These rules apply to collection agencies. The Collection Agency provides a second chance for a business to collect money for an unpaid bill while simultaneously providing the debtor a second chance to pay the delinquent bill.

What happens when the collection agency is not successful collecting money for an unpaid, delinquent bill? Another second chance, of course. We call these 'Second Collections'. Where another collection agency has failed to garner the money to pay the delinquent account, or the collection agency has exhausted their efforts to collect, and they've failed, then we will place this debt in our 'Second Collect' program. We'll take the leftovers, the seconds, and make a meal out of this. We are

Americans who believe in second chances.

Second Collect; A Program In Review

Second-Collect is a program that collects delinquent accounts other agencies have deemed, for one reason or another, uncollectable. Disregarded, these accounts leave valuable revenue uncollected. With Second-Collect, we showcase our proven debt collection program that can get these past due accounts paid. UCS believes no account is uncollectable until we have exhausted every possible effort. This program is used to collect on delinquent accounts by implementing a series of highly effective processes:

- **Automated Telephone Calling Campaign** - For maximum efficiency and productivity, we utilize a web-based predictive dialer. Compared with traditional dialing, it can increase the number of consumers we are able to contact daily by 500%.
- **Manual Telephone Calling Campaign** - At times, the use of an automated system is unlawful or an unreasonable option. To contact these accounts our ACA certified Professional Collection Specialists will manually dial the telephone number.
- **Written Correspondences** - We start with a--FDCPA required-debt validation notice, and follow with a series of effective letters to hasten payment of outstanding balances. (Check out our Pre-Collect program for additional customizable collection letters.)
- **Skip Tracing** - The ability to contact a consumer is essential for debt recovery. At UCS we have proven high-tech solutions for locating debtors and their assets.
- **Credit Bureau Reporting** - UCS reports to the three national credit bureaus: Equifax, Experian, and Trans Union.
- **Litigation** - After an extensive asset search, UCS may recommend litigation to recover an otherwise uncollectable debt. UCS is able to handle almost all legal cases without our business partners' attendance in court. This means less time out of the office for you. We will advance all court costs and pay attorney fees in order to obtain a judgment. (UCS will never pursue legal action without written authorization from our business partners)

Fun & Games - Be the first to submit the correct answers and win a prize!

Group Trivia

1. What is a group of frogs known as?
2. A group of crows is referred to as a what?
3. A group of geese is known as a what?
4. What is a group of toads called?
5. What do you call a group of cats?

To submit your answers [click here](#)

Answers to last quarter's game:

Spring Trivia

1. According to folklore, which animal has the power on February 2nd to predict whether spring will come early or be delayed six weeks? **Groundhog**
2. The final weeks of college basketball takes place each spring. This time is referred to as What? **March Madness**
3. Fill in the blanks. During the first day of spring, the sun rises due **East** and the sun sets due **West**.
4. For Australians and others in the southern hemisphere, in which month does spring begin? **September 1st**
5. Many tourists flock to our nation's capital (Washington D.C.) each spring to see the blooming of which type of tree? **Cherry**



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