SAMPLE CONTRACT

	Client	Agency	Noncustodial Parent						
Name:	Jane Doe	Collection for Children, LLC	Jim Doe						
Address:	1234 Bridgeway Anywhere, TX 78999	4321 Overstreet Somewhere, TX 78666	Unknown Unknown						
Telephone:	915-222-3434	512-444-5656	Unknown						
Child or Children:	I authorized collection of the Specified Amount from the Noncustodial Parent of the following Child or Children:								
	Child's Name	Child's Name	Child's Name						
HOW THE PARTIES ARE REFERRED TO IN THIS AGREEMENT									
"We", "Us", or "Our" Collection for Children, LLC.									
"You" or "Your"	Our Client, the Custodial Parent.								
Noncustodial Parent	The person named above as specified by a court or other tribunal.								

SECTION 1: PARTIES TO THIS AGREEMENT

SECTION 2: COLLECTIONS AND COMPENSATION FOR OUR SERVICES							
Child	Money that a court or other tribunal ordered the Noncustodial Parent to pay for support of the child or						
Support	children named in this Agreement.						
Specified Amount	The Specified Amount is the actual amount the Noncustodial Parent owes You as of the date this contract is signed by You. The Specified Amount includes Child Support, interest, penalties, legal fees, and any other related amounts the Noncustodial Parent owes You for the Child or Children. We will send You a written statement of the actual Specified Amount when We have determined how much it is. Please enter Your estimate of Child Support, interest, penalties, legal fees, and other amounts owed by the Noncustodial Parent in column (A) in the example below.						
Collection Fee	You agree to pay Us a Collection Fee of 25.00% on the portion of the Specified Amount We collect. We will retain the Collection Fee from all payments the Noncustodial Parent makes on the Specified Amount.						

EXAMPLE: COMPENSATION FOR OUR SERVICES

(A) Estimated Specified Amount		(B) Example of Our Fee		(C) Example of What You Could Receive	
Estimated Child Support Plus:	\$20,946.45	Estimated Specified Amount	\$22,730.45	Estimated Specified Amount	\$22,730.45
Interest Penalties Legal Fees Other	+ \$1,234.00 + \$300.00 + \$250.00	Multiplied by: Collection Fee	X <u>25.00%</u>	Less: Our Fee	<u>(\$5,682.61)</u>
Equals:	+ <u>\$0.00</u> <u>\$22,730.45</u>	Equals:	<u>\$5,682.61</u>	Equals:	<u>\$17,047.84</u>

SECTION 3: WHEN THIS AGREEMENT ENDS

This Agreement will end in one of four ways:

- (A) The Specified Amount is collected and all Collection Fees and other fees You owe Us are paid in full.
- (B) You notify Us in writing within seven (7) days after You sign this Agreement of Your desire to end this Agreement.
- (C) You notify Us in writing after the end of any consecutive 12-month period during which no child support is collected that you want to end this Agreement. You must notify Us of your intent to terminate the Agreement before any subsequent child support is paid for the Child or Children following that 12-month period. After We receive Your notice, the Agreement will not terminate until You have paid all Collection Fees and other fees You owe Us.
- (D) We notify You in writing that We are terminating this Agreement. If We terminate this Agreement, it does not excuse Your payment of Collection Fees and other amounts You owe Us, unless this Agreement provides otherwise.

SECTION 4: ATTORNEY FEES FOR LEGAL SERVICES

- (A) After written notice to You, We may use the services of an attorney, including for preparation of legal documents, withholding wages, suspending licenses, placing liens on property, taking action in a court of law.
- (B) Investigation and collection of the Specified Amount is Our duty under this contract. We will not hire an attorney unless a collection or investigation method We choose requires the services of an attorney.
- (C) Please write Your initials in the blank next to the paragraph that is checked, below:
 - (1) **OWe will pay any attorney fees.** You will pay no additional fees for any services provided by an attorney. (If this method is checked, the rest of Section 4 does not apply to You.)

(2) _____ O You will pay attorney fees. Attorney fees are calculated at a per hour rate of \$_____ for services. (a) Attorney fees are in addition to the Collection Percentage Fee.

- (b) Attorney fees will be taken out of any of the Specified Amount collected from the Noncustodial Parent. All amounts collected from the Noncustodial Parent will be used to pay attorney fees until all attorney fees are paid in full.
- (c) If this Agreement terminates and the amount of the Specified Amount collected does not exceed the attorney fees, You will not owe the attorney fees outstanding at the time of termination.

SECTION 5: AGREEMENT AND REPRESENTATIONS

You acknowledge the validity of this Agreement and agree to and represent that -

- (A) The Noncustodial Parent has failed to comply with a valid court order or legally binding agreement to pay, as scheduled and due, child support for the Child or Children.
- (B) You are asking Us to begin enforcing and collecting child support payments for the Child or Children from the Noncustodial Parent.
- (C) If you receive a child support payment from anyone other than Us, You agree to send it to Us immediately and without deduction.

We agree and promise to, or represent that -

- (A) At all times during the term of this Agreement, We will be properly registered by the State of Texas to conduct private child support enforcement services.
- (B) We will take only appropriate and legal actions and procedures to enforce and collect the Specified Amount.
- (C) We are not a law firm.
- (D) We will promptly send all payments to You, less the percentage fee or other agreed upon charges, within <u>(#)</u> days after collection of any child support owed.
- (E) We will do the following when the Specified Amount is collected and all amounts owed to You are paid:
 - (1) Prepare releases of all liens We created on Your behalf;
 - (2) Mail the releases to You for Your signature and return to Us;
 - (3) Record the releases in the proper county records; and
 - (4) Send the original releases to You.
- (F) If we receive a child support payment from anyone other than the appropriate registry, We will promptly send it to the appropriate registry for processing.

SECTION 6: THIS DOCUMENT IS THE ENTIRE AGREEMENT

This is the entire agreement between You and Collection for Children, LLC. You and the Collection for Children, LLC, representative must initial any changes to this Agreement. Verbal promises by either You or Collection for Children LLC are not part of this Agreement. After You and a Collection for Children, LLC, representative sign this Agreement, all changes must be in writing and agreed to by You and Collection for Children, LLC.

