

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

## **RE: Engagement for Retail Debt Collection Services**

Dear [Client Contact Name],

This letter confirms the agreement between [Collection Agency Name] ("Agency") and [Client Name] ("Client") for the provision of retail debt collection services regarding delinquent consumer accounts.

### **1. Scope of Services**

The Agency shall use its best efforts to collect outstanding retail debts assigned by the Client. Services include skip tracing, written demands, telephone contact, and payment processing in compliance with the Fair Debt Collection Practices Act (FDCPA) and applicable state laws.

### **2. Commission and Fees**

The Client agrees to pay the Agency a contingency fee based on the following schedule:

- [X]% on all accounts collected prior to legal action.
- [X]% on all accounts collected after the initiation of legal proceedings.
- Fees are calculated based on the gross amount recovered.

### **3. Remittance**

The Agency shall remit all funds collected, minus the agreed-upon commission, to the Client on a monthly basis. A detailed statement of activity will accompany each remittance.

### **4. Client Responsibilities**

The Client agrees to provide accurate account information, including original invoices and debtor contact details. The Client shall notify the Agency immediately if a debtor makes a direct payment or disputes the debt.

### **5. Term and Termination**

This agreement shall commence on [Start Date] and continue until terminated by either party with [Number] days' written notice. Upon termination, the Agency shall return all active files to the Client, subject to commissions owed on payments in progress.

### **6. Compliance and Indemnification**

The Agency warrants that it will operate in accordance with all federal and state collection laws. Each party agrees to indemnify the other against any claims arising from their own negligence or willful misconduct.

Please sign below to indicate your acceptance of these terms.

Sincerely,

[Your Name/Signature]

[Title]

[Collection Agency Name]

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**Accepted and Agreed:**

Signature: \_\_\_\_\_

Printed Name: [Name]

Title: [Title]

Date: [Date]