



We are pleased to announce that Credit Management Services, Inc. (CMS) has acquired Panhandle Collections, Inc. We are excited to welcome you as a valued client and look forward to building a strong partnership with you as we begin this next chapter together.

At CMS, our priority is to make this transition as seamless as possible while providing the level of service, support, and results your organization deserves. Our team brings a proven approach to collections, with an average net recovery rate of 60.8%, supported by efficient processes, strong reporting, and a commitment to performance. Just as important, we are equally focused on the consumer experience, reflected in our 4.3-star Google rating and our respectful, professional approach to every consumer interaction.

As part of this transition, you will have access to:

- A dedicated client services team focused on responsiveness and partnership.
- Advanced reporting and account analytics for greater transparency and insights.
- Compliance-forward processes aligned with current regulatory standards.
- Scalable solutions tailored to your organization's needs and growth.
- Our in-house legal process, providing added support for eligible accounts.

Our goal is to make onboarding simple and efficient so you can begin placing accounts with confidence. In the coming days, a member of our team will reach out to assist with account setup, answer any questions, and ensure a smooth start.

We appreciate the opportunity to serve your organization and look forward to supporting your team. Welcome to CMS – we are glad to have you with us.

COLLECTION AGREEMENT

This Collection Agreement (hereinafter "Agreement") is entered into on this ____ day of _____, 2026, by and between **City of Bridgeport** (hereinafter "Client") and Credit Management Services, Inc. (hereinafter "Agency").

Client and Agency agree as follows:

1. CLIENT'S DUTIES – GENERAL. Client shall:

- a. Refer and transfer to Agency certain of Client's unpaid accounts receivable ("Account(s)") and, thereby, shall authorize Agency to perform any and all acts necessary for the collection, settlement, adjustment, compromise and/or satisfaction of Account(s).
- b. Cease any and all collection efforts immediately upon transfer of Account(s) to Agency.
- c. Report any and all bankruptcy notice(s) and collections-related communication(s) in relation to Account(s), including but not limited to payment(s) and/or communications by debtors, Workers' Compensation, Medicare, Medicaid, or any other third-party payors, directly to Agency upon Client's receipt and/or notification thereof.
- d. Send Agency's share of any and all payment(s) on Account(s) to Agency within ten (10) days after Client's receipt of such payment(s), such share being set forth in paragraph "3" of Agreement.
- e. Provide Agency with invoices, payment histories, and any and all other documentation necessary in Agency's judgment for Agency to carry out its collection efforts in relation to Account(s).

2. AGENCY'S DUTIES – GENERAL. Agency shall carry out its collection efforts in relation to Account(s) in compliance with all applicable federal, state, and local laws, and shall otherwise pursue collection of Account(s) in good faith. Agency reserves the right to, and may, return Account(s) to Client at any time.

3. PARTIES' SHARES OF PAYMENT(S). All payment(s) of principal made toward Account(s) shall be paid **[thirty-five]** percent (**35%**) to Agency, and **[sixty-five]** percent (**65%**) to Client.

4. PURSUE COLLECTION VIA LITIGATION. Client agrees that:

- a. In efforts to collect Account(s), Agency may request that Client assign its right, title, and interest in Account(s) to Agency via a written Assignment.

- b. If Client assigns its right, title, and interest in Account(s) to Agency, then suit shall be commenced in Agency's name, as "Plaintiff", in efforts to collect such Account(s).
- (1) Client acknowledges that upon commencement of suit, Agency will have advanced legal fees and court costs associated with legal action. Client agrees that if, after suit has commenced, Client accepts direct payment, Client requests that legal action be discontinued, or Agreement is cancelled, then Client shall reimburse Agency for any and all such fees and costs that Agency has incurred and/or expended in connection with legal action on Account(s) to the extent that such fees and costs have not been recouped from defendant(s) at the time of direct payment, discontinuance, or cancellation.
- (2) Client shall provide witness(es) to testify at trial and such other court proceedings as may be necessary in the judgment of Agency for the advancement of collection efforts on Account(s). Client agrees that if it fails or refuses to provide witness(es) as indicated herein, then Client shall be liable to and be required to reimburse Agency for those fees and costs that Agency has incurred in connection with Agency's collection efforts on Account(s).
- (3) Agency may request the courts to award plaintiff the costs associated with legal action including but not limited to filing fees and serving process fees ("Costs"), attorney's fees ("Fees"), as well as pre- and post-judgment interest ("Interest") pursuant to applicable law as deemed appropriate by Agency. Any and all such Costs, Fees and Interest associated with legal action shall be retained by Agency.
5. **ACCOUNT COMPOSITION.** Client warrants and represents that it shall neither refer nor transfer Account(s) to Agency that include interest, fees, charges, or expenses incidental to the principal obligation unless such amount(s) is/are expressly authorized by the agreement creating the debt or otherwise permitted by applicable law. Agency reserves the right to request removal of all interest, fees, charges, or expenses incidental to the principal obligation.
6. **PROPRIETARY INFORMATION.** Client agrees that any and all Agency material and information is confidential, for the exclusive use of Client for its legitimate business needs, and that such material and information shall not be made available to third parties. Duplication or copying of Agency data, signs, decals, forms, or any other items or information furnished by Agency to Client in any manner or form, is prohibited.
7. **TERM AND APPLICABILITY.** This Agreement shall commence on the date on the date executed by Client, shall supersede all prior collection agreements between the parties, and shall remain in effect for a period of two (2) years and until terminated in writing by either party as described in paragraph "8" below. This Agreement shall renew at the end of said term for a period of one (1) year and continue to renew in one (1) year increments until terminated.

8. TERMINATION AND SURVIVAL. Client may terminate this Agreement upon written notice to Agency at least thirty (30) days prior to the expiration of the current term. Agency reserves the right to terminate this Agreement for any reason upon thirty (30) days written notice.

- a. Immediately upon notice of termination by either party, Client shall return to Agency all Agency data, signs, decals, forms, and any and all other items and information furnished by Agency to Client.
- b. Subject to paragraph "7.c." of Agreement, upon notification of termination by either party, Agency shall return any and all unpaid, non-litigation Accounts held for collection if requested by Client in writing.
- c. If, prior to termination of Agreement, suit has commenced on Account(s) as described in paragraph "4.b." of Agreement, then upon cancellation of Agreement by either party the accounts remain with Agency as Agency has been assigned legal title to said accounts. Agency shall be entitled but in no way obligated to continue its collection efforts on such Account(s). If Agency exercises its authority to continue collection efforts on such Account(s), then Agreement shall survive termination and shall remain in effect with respect to such Account(s) for so long as Agency's collection efforts continue on such Account(s).

9. NON-DISCLOSURE. This Agreement is intended to be confidential and its existence shall not be disclosed by Client to any entity unless required by law or the rules or regulations of any regulatory agency; provided, however, that the foregoing shall not prohibit a party hereto from making any such disclosure to any of the following (hereinafter "Permitted Recipients"): (i) officers and directors of such party or any subsidiary; (ii) agents and advisors of such party or its subsidiaries (including legal, tax and financial advisors); (iii) applicable authorities in connection with legal process; and (iv) any other entity with the prior consent of the other party.

If Agency determines that any disclosure of this Agreement is required to be made to any entity other than Permitted Recipients, then Agency shall afford Client the opportunity to review and comment on such disclosure prior to such disclosure. In any event, disclosure of this Agreement or any portion thereof by Agency to any entity other than Permitted Recipients shall be at the sole discretion and authority of Agency.

10. CHANGE IN SERVICE(S) PROVIDED. At any time and upon reasonable notice to Client, Agency shall have the right to change any aspect of the service(s) provided by Agency to Client.

11. ASSIGNMENT OF AGREEMENT. Client shall not assign its interest in Agreement without the written consent of Agency prior to such assignment. Failure to obtain said written consent from Agency prior to assignment shall make the assignment null and void for all purposes, and shall give rise to immediate cancellation of Agreement lack of notice notwithstanding.

12. NOTICE. Except as otherwise expressly indicated by Agreement, any provision of Agreement that requires notice from one party to the other shall only be satisfied if such notice is given in writing and delivered to the following address by a means evidenced by a signed delivery receipt of which a legible copy is furnished to the receiving party. Such notice shall be effective upon receipt:

Client:
City of Bridgeport
Attn: Faye
PO Box 280
Bridgeport, NE 69336

Agency:
Credit Management Services, Inc.
Attn: General Counsel
105 N Wheeler Ave
Grand Island, NE 68801

13. MODIFICATION OF AGREEMENT. No alteration, amendment, change, and/or modification of Agreement shall be permitted, except in writing signed by both Client and Agency.

14. ENTIRE AGREEMENT. There are no representations, promises, or inducements other than those contained in Agreement.

Reviewed, understood, and agreed by:

Client: **City of Bridgeport**

Signed By: _____
Printed Name: _____
Title: _____
Date: _____

and

Agency: **Credit Management Services, Inc.**

Signed By: _____
Printed Name: _____
Title: _____
Date: _____