



COLLECTION SERVICES

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Request for Quotation
Debt Collection Services (Debt19)
CRFQ 0212 - SWC 1900000006

RECEIVED

2018 NOV 13 PM 12:48

WV PURCHASING
DIVISION



State of West Virginia
Attn: Department of Administration, Purchasing Division
2019 Washington Street East
Charleston, WV 25305-0130

Please address all communication to:

FEDChex Recovery, LLC
Attn: Bryan Dube
27042 Towne Centre Dr, Ste 150
Foothill Ranch, CA 92610
P: 949-440-4646
F: 949-440-4611
bdube@fedchex.com



October 09, 2018

State of West Virginia
Attn: Mark Atkins, Department of Admin, Purchasing Division
2019 Washington Street East
Charleston, WV 25305-0130

Re: Request for Quotation for Collection Agency Services

To Whom It May Concern,

On behalf of FEDChex Recovery, LLC, I am pleased to present the State of West Virginia with our response to the Request for Quotation for Collection Agency Services. I will serve as the primary contact for all RFP-related communication, including any requests for clarification or other communication needed between the State of West Virginia and FEDChex Recovery. FEDChex Recovery has a proven track record of not only providing outstanding collection results, but more importantly building a reputation of providing excellent customer service to its clients. We separate ourselves from the competition by not only looking to collect your past due accounts, but to work closely with our clients and become an extension of your department that you can trust and rely on to streamline your recovery needs.

FEDChex Recovery intends to perform the contract as a single proposer however provides the State with optional features such as a Pre-Legal Collection Services through our Attorney Network as a secondary effort to accounts that go uncollected through FEDChex's initial collection process. As an officer of this company, my signature has the authority to bind any contract that may result from negotiations with the State regarding this proposal. As instructed, we have provided one (1) original and one (1) copy of the technical and cost proposal.

Sincerely,

A handwritten signature in black ink, appearing to read 'By [Signature]', is placed below the 'Sincerely,' text.

Bryan J. Dube
EVP, Business Development
FEDChex Recovery, LLC
27042 Towne Centre Dr, Ste 150
Foothill Ranch CA 92610
T 949-440-4646
bdube@fedchex.com

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a. EXECUTIVE SUMMARY

FEDChex Recovery, LLC, founded in 2001 is a closely held private corporation located in Foothill Ranch, California. With a mission to remain a recognized leader in the collections industry, FEDChex Recovery maintains its commitment of supporting its client's requirements by delivering cost effective, ethical, reliable and high quality collection services. FEDChex Recovery has established itself as one of the leading contenders in today's collections industry by placing our focus on the needs of our clients and developing the tools and tactics to best assist them with the recovery of outstanding debt. Our customer service approach has enabled FEDChex Recovery to not only boost a recovery rate higher than other national collection agencies but improve overall customer experience when resolving their debt.

Our company's philosophy doesn't just stop with developing relationships, but also supporting our client's needs by continuing to develop a robust Compliance Management System, along with the knowledge and skills of our employees with ongoing training of Federal and State Collection Laws, assuring our clients of total compliance. Applying this knowledge has created a firm belief that educating consumers of their rights and obligation to pay their debt has resulted in an increase in overall collection totals. Along with ongoing training, agents utilize state of the art resources such as TCPA compliant dialing technology, traditional mail and advanced e-mail solutions, skip tracing tools, negative reporting databases and custom software programs that meet the needs of our clients.

FEDChex Recovery provides nationwide coverage and maintains valid collection licenses for States that require a physical license. FEDChex Recovery has maintained its business license with the State of California since Sept of 2001.

With a belief of providing affordable yet effective services, FEDChex Recovery provides clients the ability to create a Recovery Process without the up-front cost associated to it. FEDChex Recovery works on a contingency basis only keeping a small percentage of the amount collected. Once data is entered into our system, FEDChex Recovery will generate its initial letter and email notification to the consumer as compliant to FDCPA standards. Following our initial notice, FEDChex Recovery initiates calls to contact the consumer utilizing a TCPA compliant dialing technology. This enables us to stay ahead of competition because of the efficiency, flexibility and capabilities of our process. In conjunction with phone contact, FEDChex Recovery will continue its notification process by also sending out email correspondences every 10 days along with demand letters mailed on day 30, 90 and 120. FEDChex Recovery utilizes many different avenues to locate consumers. Upon communication of the debt, FEDChex Recovery will provide the consumer with all payment methods available to the consumer which includes payment by phone, mail, web and IVR. FEDChex Recovery has established relationships with national credit reporting agencies and provides our clients the ability to affect the consumer's credit should they neglect to resolve their account.

FEDChex Recovery provides complete online reporting with the ability to create a multi level reporting function depending on the needs of our client. All reports are emailed on a daily, weekly and monthly basis. In addition, all collection activity and reports are available online through our client web portal. Clients have the ability to create multiple users and can tailor the level of access they have to accounts.

Upon review of the State's Request For Proposal, FEDChex Recovery feels confident in its ability to meet and exceed the General Requirements and Scope of Work set out by the State of West Virginia for a qualified agency to collect on its past due accounts.

b. BACKGROUND AND EXPERIENCE

As a pioneer in the electronic payment industry, FEDChex Recovery offers a suite of solutions ranging from Payment Verification, Depository and Recovery Services for B2C companies. While FEDChex Recovery provides electronic payment capabilities, its preeminent solution is providing national collection services for consumer based debt. FEDChex Recovery has helped facilitate consumer based companies ranging from private organizations in the healthcare, utility, retail, grocery, higher education industry, to government and municipal agencies with Depository and Collection Services. Services range from ACH processing, Check Verification, the Re-Presentation of returned checks to streamlining our client's back-end process when collecting on delinquent accounts through a more traditional collection approach. FEDChex Recovery works closely with government officials and its various departments to help tailor a recovery program that is specific to each of their department needs. With our diverse experience, this makes FEDChex Recovery a premier solution for governmental agencies that may require debt collection services with in multiple areas of their agency.

FEDChex Recovery was founded in 2001 and is a private held corporation. All ownership and executive management have been with the firm since its inception in 2001. FEDChex Recovery is a Limited Liability Company Partnership and is a current member of ACA International (Association of Credit and Collection Professionals), CAC (California Association of Collectors), Wespay, NACHA, AFP (Association of Financial Professionals), and SHRM (Society for Human Resource Management).

References

City of Moreno Valley
14177 Frederick St
Moreno Valley, CA 92552
Brooke McKinney
brookem@moval.org
951-413-3077

Services Provided: Primary Contractor Providing Debt Collection Services for Various Departments

Date of Services: June 2018- Present

Leon County, FL

911 Easterwood Dr

Tallahassee, FL 32311

Timothy Carlson

carlsont@leoncountyfl.gov

850-606-2129

Services Provided: Primary Contractor Providing Debt Collection Services

Date of Services: June 2018- Present

County of Solano

275 Beck Avenue

Fairfield CA 94533

707-784-6320

Barbara Barbeau

brbarbeau@solanocounty.com

Services Provided: Primary Contractor Providing Debt Collection Services on Delinquent Consumer Accounts

Date of Services: Sept 2017- Present

City of Fullerton

303 W Commonwealth Ave

Fullerton CA 92832

714-738-6532

Julio Ortega, City Treasurer

julioo@ci.fullerton.ca.us

Services Provided: Primary Contractor Providing Debt Collection Services and Electronic Re-Presentation of NSF Checks

Date of Services: March 2002-Present

City of Azusa

213 E Foothill

Azusa, CA 91702

626-812-5252

Marcene Hamilton, City Treasurer

umacias@ci.azusa.ca.us

Services Provided: Primary Contractor Providing Debt Collection Services and Electronic Re-Presentation of NSF Checks

Date of Services: Oct 2002-Present

City of Santa Ana

20 Civic Center Plaza, M13

Santa Ana CA 92701

714-647-5442

Minerva Mancha, Treasury Service Supervisor

mmancha@santa-ana.org

Services Provided: Primary Contractor Providing Debt Collection Services and Electronic Re-Presentation of NSF Checks

Date of Services: Aug 2004-Present

Executive Team & Personnel

FEDChex Recovery, LLC is organized in a way that each member of our Executive Team manages and oversees each and every client. Each member of our Executive and Management Team individually brings over 15 years of experience in the Collection Industry having serviced a wide range of consumer-based companies including municipal accounts.

Below is a list of ownership and share percentage.

Name	Title	% of Ownership
A. Rodney Davis	CEO	77%
B. Ed Arnold	CTO	7%
C. Christi Flanigan	President & CFO	4%
D. Jeff Gordy,	CIO	4%
E. Bryan Dube	EVP Business Development	4%
F. Michelle Kelley	COO	4%

Below is a list of personnel that will be working the State's accounts upon award of contract including their years of experience in the Collection Industry.

1. Rodney Davis, CEO, 17 Years of Collection Experience
2. Christi Flanigan, President & CFO, 20 Years of Collection Experience
3. Bryan Dube, EVP of Business Development, 18 Years of Collection Experience
4. Jeff Gordy, CIO, 16 Years of Collection Experience
5. Michelle Kelley, COO, 17 Years of Collection Experience
6. Justin Davis, Compliance Manager, 14 Years of Collection Experience
7. Valerie Merriss, Account Management, 10 Years of Collection Experience
8. James Kelley, Collections Manager – 15 Years of Collection Experience
9. Collection Floor will consist of 25-30 Collection Reps with a Collection Experience of 1-15 Years of Experience

Key Personnel

Bryan Dube, EVP of Business Development and Executive Officer will serve as the primary contact for all RFP-related communication including any requests for clarification or other communication needed between the State and FEDChex Recovery. Below is detailed information of the key personnel proposed by the Agency to manage the contract work. FEDChex Recovery is organized in a way that each member of our Executive Team manages and oversees every Client. Below is a breakdown of key members that will be responsible for the overall function of your project.

Bryan Dube, EVP Business Development - (Primary Point of Contact for this Agreement. Will oversee Integration, Account Management & Overall Client Relationship)

Bryan Dube has been with FEDChex Recovery since 2001 currently holding the position of Executive Vice President of Business Development. Mr. Dube is responsible for maintaining aggressive revenue growth for the company. Mr. Dube's knowledge of the industry, people and products is essential to the demonstrated success of FEDChex Recovery's products and new offerings. Mr. Dube's responsibilities include management of the FEDChex Recovery national sales staff, working with marketing to promote products and keep customers informed, and delivering FEDChex Recovery product presentations to industry audiences and potential clients across the country.

Mr. Dube's currently plays a key role in offering payment-processing and collection services to an impressive roster of leading companies by building and maintaining an innovative approach to financial solutions. As an active member of the Executive Team, he provides guidance into the corporate strategic plan, business development, financial management, and acquisitions.

Michelle Kelley, COO - (Will oversee Collections, Customer Service and Account Management of Client Relationship)

Michelle Kelley has been with FEDChex Recovery since 2001 and has since served in a series of varied and progressive positions including Vice President of Operations, Director of Operations, Operations Manager and Director of Human Resources. Ms. Kelley currently serves as Chief Operating Officer for FEDChex, reporting to Rodney Davis, Chief Executive Officer. In this role she is responsible for the performance of all operational aspects that include Customer Service, Collections, and our Processing Departments. Ms. Kelley ensures that our organization is running efficiently as well as meeting the expectations and needs of our Customers. Ms. Kelley is recognized for the ability to incorporate innovative management techniques that result in enhanced business practices, increased productivity, and profits

Jeff Gordy, CIO - (Will oversee IT, Reporting, and Security of Client Relationship)

Jeff Gordy currently serves as the Chief Information Officer reporting to Rodney Davis, Chief Executive Officer. In this role Mr. Gordy provides FEDChex Recovery LLC with the leadership and skills necessary to create a robust information technology environment for FEDChex Recovery customers. Mr. Gordy is primarily responsible for all of FEDChex Recovery's software development, computer hardware, network design, data warehousing, data access, security, and disaster recovery. He has eighteen years of experience in the financial services IT space and has a wealth of knowledge in real-time systems programming, software architecture and network design. Mr. Gordy joined FEDChex Recovery in 2001 as a software engineer. Mr. Gordy received his bachelor's degree from California State University Fullerton and is currently working on his Masters of Science in Cybersecurity Operations from University of San Diego.

Christi Flanigan, President & CFO - (Will oversee Billing and Finance of Client Relationship)

Christi Flanigan currently serves as President & Chief Financial Officer for FEDChex Recovery LLC, reporting to Rodney Davis, Chief Executive Officer. In this role, Ms. Flanigan's primary job responsibilities are to ensure that all lines of business within the organization are running efficiently and within budget. Ms. Flanigan works directly with the CEO and the Executive Team to devise strategic plans that will generate revenues, create new opportunities for business and to help the company remain competitive within the marketplace. She is very active and hands on with Sales, Business Development, and Operations along with being responsible for the company's financial functions, including Treasury, Accounting, Finance, Strategic and Annual Planning, Internal Audit, Financial Systems, and Human Resources. Ms. Flanigan joined FEDChex in 2003 as the Corporate Controller and moved into the Corporate Treasurer position before transitioning into CFO and ultimately President in 2012.

Staffing

FEDChex Recovery employs a valuable mix of tenured and non-tenured representatives making up its staff of 15-20 collectors. (Some Collectors are Seasonal) Currently, FEDChex Recovery employs one Director, one Collection Manager, and one Compliance Manager overseeing the collection process. Continuous monitoring is put in place to assure adequate staffing to efficiently and effectively sustain work load. Currently, FEDChex Recovery utilizes multiple channels to recruit employee candidates such as advertisement, referral, and staffing agencies. All candidates are required to have a high school diploma (Preferably a Bachelors Degree), customer service experience, strong communication skills, ability to read, interpret and apply federal, state and local collection regulations, demonstrate problem solving skills, computer skills and be able to pass background check and compliance training.

Sub - Contractors

FEDChex Recovery contracts with an attorney network of qualified legal firms that specialize in consumer collections. The attorney network is optional for clients, however provides our clients with an additional phase to the collection process to help collect on accounts that are not collected through our in-house process and preserve our clients right for legal remedy should they wish to do so.

FEDChex Recovery. Should the State utilize the Attorney Network, FEDChex Recovery would utilize the agency below for all State Accounts that are elevated Attorney Collections.

Law Offices of Crystal Moroney, P.C
Crystal G Moroney, Esq

WBENC Certified
Certificate Number [REDACTED]

c. COLLECTION METHODS AND APPROACH TO STATE OF WEST VIRGINIA ACCOUNTS

FEDChex Recovery understands the expectations to effectively collect the balances of our clients, but more importantly doing so in a professional fashion that will ultimately protect the brand and reputation of our client and assure complete compliance with State and Federal laws. FEDChex Recovery's Collection Program is built upon a customer service approach in which our firm's belief of educating the consumer of their rights and obligation to pay their debt has not only resulted in a higher collection percentage but improved overall customer satisfaction in the collection process allowing our clients to retain their most valuable asset, their customer. With a development plan that not only focuses on its clients' needs but also on those of the consumer to help create a recovery process that is informative, compliant, flexible and user friendly providing multiple options to resolving their accounts. We feel that when the consumer knows they've been taken into consideration, they are more willing to work with our office to resolve their balance.

FEDChex Recovery will utilize several methods simultaneously in attempt to collect the debt placed in our office. Methods include, Mailed Collection Notices, Email Notification, Live Agent Phone Calls and Pre-Recorded Voicemail Mail Drop Communication.

Written Communication

Mail Communication – All FEDChex Recovery letters are reviewed and audited by an ACA International (Association of Credit and Collection Professionals) referred Attorney.

Day 1 – FEDChex Recovery mails its debt validation letter to the consumer.

Day 30 – FEDChex Recovery mails a second letter to remind the consumer of their account in collections

Day 90 – FEDChex Recovery mails its third notice to remind the consumer of their account in collections

Day 120 – FEDChex Recovery mails its final letter to the consumer

Email Communication - In conjunction with mailed notices, FEDChex Recovery will also send out reminder emails every 10 days for accounts that are active in our system (No hold or arrangement in place) directing consumers to contact our office.

Phone Communication

Once the validation notice has been mailed, FEDChex Recovery will begin making phone communication efforts to the consumers in efforts to notify them of their account in our office. FEDChex Recovery not only utilizes live agent calling, but also voicemail drop technology on days where live calls may not be scheduled. FEDChex Recovery looks to communicate via phone once to twice a week in efforts to establish communication about their accounts in our office.

Live Phone Calls - FEDChex Recovery utilizes TCPA compliant dialing technology with Manual Clicker Application that requires human intervention. Reps will place live phone calls in efforts to contact the consumer and resolve their account.

Voice Mail Drop - FEDChex Recovery also utilizes DirectDrop Voicemail Technology on wireless numbers that allow for a pre-recorded voicemail message to be delivered into a voicemail box without ever calling the phone. The feature allows FEDChex Recovery to comply with TCPA restrictions and increase its effectiveness in communicating with its consumers by leaving voice messages without the intrusion of a call and allowing the consumer to contact our office at their convenience.

Text Message Communication - In addition to verbal communication, FEDChex Recovery also utilizes Text Message Communication on wireless numbers allowing FEDChex Recovery to send Text Messages to consumers in efforts to connect and notify them of their account in our office. This enables the consumer the ability to establish a one on one text message conversation with our department or simply respond at a later time that is more convenient for the consumer. FEDChex Recovery has specific guidelines to qualify accounts for this feature to assure total compliance with TCPA requirements.

Attorney Network

After an account has been in our system for more than 120 days, FEDChex Recovery provides clients with the alternative solution of utilizing its attorney network for further

collection efforts. FEDChex Recovery contracts with an attorney network of qualified legal firms that specialize in consumer collections. The attorney network is optional for clients, however provides our clients with an additional phase to the collection process to help collect on accounts that are not collected through our in-house process and preserve our clients right for legal remedy should they wish to do so. At this point in the collection process, FEDChex Recovery has utilized every attempt to get in touch with the consumer and has exhausted its collection efforts. Once an account is sent to our Attorney Program for further collections, the Attorney's will skip trace the consumer to get the most accurate and up to date contact information to start their collection process. Our attorney will send a series of 2-3 letters along with generating daily phone calls in efforts to attempt to collect on your account through their Pre-Suit process, a collection approach that is much stronger than the approach taken by FEDChex Recovery but still influenced by the customer service approach FEDChex Recovery is founded on. This approach saves our clients time and money and allows their customers to voluntarily resolve the debt while also preserving our client's right to pursue a legal remedy when necessary. All letters and phone calls will be from Attorney Network from this point forward. There are no upfront costs to our attorney network, however a larger contingency rate is applied on those collected.

Skip Trace Capabilities

In a case where consumer contact information is not provided or is no longer valid, FEDChex Recovery utilizes CLEAR, a third-party skip trace platform along with its own proprietary technology specially designed to find bad consumers. Our staff has the ability to search consumer utility data, cell phone data, as well as credit reporting data all in real time. In addition, staff can perform reverse look ups on a phone number which provides additional information such as updated billing addresses. There are NO dollar thresholds placed on accounts to determine level of skip trace efforts.

Litigant Alert

Prior to Importing an account into our system, FEDChex Recovery utilizes a third-party platform through WebRecon that tracks consumer accounts that have previously sued other creditors or collection companies in the past, filed a CFPB complaint, filed a BBB complaint or filed a state Attorney General complaint. FEDChex Recovery will flag any matches or potential matches and assign these accounts to a special bucket to be engaged by management.

Web Communication & Options

Customer Centric Website – PayMyBalance.com

FEDChex Recovery's consumer website was designed to be an extension of your business with customer service as the main focus and concern during its design process. The site allows us to remove customer apprehension which in turns

allows us to resolve the consumers account amicably. Website features include the following:

- Real Time Chat with one of our Collection Reps
- Process a payment via ACH or Credit Card
- FAQ's
- Detailed Account and Balance Information
- Dispute Option - Consumers can dispute the validity of their account by submitting a letter of dispute. They can also upload any documents they may have to support their claim.

Payment Options

FEDChex Recovery offers many payment options that include phone payments (with a live rep and or IVR) by Visa, MasterCard, American Express, Discover & Check by phone. Other payment options include web payments and mail in payments through Credit Card, Money Order, Cashier's Check, Personal Check, Money Gram Express Payment and Western Union. With every payment option available, we make our payment process convenient and very user friendly for the consumer to take care of their account. The cost for this service is included in the overall price quoted in this proposal.

Customer Service

FEDChex Recovery prides itself on developing a collection approach that not only focuses on the recovery of our clients' accounts, but more importantly a process that helps protect the brand and reputation our clients have worked hard to build. We understand that "Collections" can be a frustrating experience for consumers and our goal to help alleviate any frustration a disputed debt may bring is instilled into our agents at the time of training. We preach patience, understanding, and a willingness to help consumers through their dispute process to assure that the customer experience reflects on our clients in a positive fashion.

Should an account be disputed, the consumers account is properly notated and turned over to our dispute department. Our Dispute Department will work closely with our client to gather all necessary documentation supporting the balance to continue collection efforts. Communication between Client and FEDChex Recovery will be done through our Account Management Team. In addition, FEDChex Recovery will have dedicated Account Managers overseeing every aspect of the process to ensure that implementation and fulfillment meet and exceed the State's expectations.

FEDChex Recovery accepts consumer collection disputes in all formats. A consumer can submit a written letter of dispute through the postal system or through fax. Consumers are also able to submit written disputes electronically through email or through FEDChex Recovery proprietary website www.paymybalance.com. The State will receive an electronic record of all disputes requiring additional information or verification. Our

dedicated account management team will work with the State to obtain the necessary documentation to close the dispute. FEDChex Recovery has also implemented a robust Compliance Management System (CMS) to track customer disputes and alert the State of any trending customer issues. Any disputes received directly by the State can be forwarded to FEDChex Recovery electronically for resolution.

How FEDChex Recovery Agents Deal with Unhappy Consumers

1. Listen to Emotion without Emotion
2. Be Sympathetic and Patient
3. Be Positive (Positive Behavior is Contagious)
4. Apologize If and When Appropriate
5. Create a Solution to Their Problem
6. If in Doubt, Elevate Call to Management.

Training of FEDChex Recovery Employees

FEDChex Recovery employs a dedicated compliance officer who remains up to date in all compliance areas. This includes rules like the TCPA, FDCPA, HIIPA, EFTA, Reg E and all state regulations; as well as governing agencies such as the CFPB and FTC. The compliance office is responsible for case law review, any applicable congressional reports, The Associations of Credit and Collection Professionals forums and search point documents as well as participation in industry forums including the Compliance Professionals Forum and Accountsrecovery.net. All information is disseminated on a department wide basis and then on an individual basis as needed.

All agents, including management, are required to take and pass a proficiency exam every six months. Agents who are deemed unsatisfactory are removed from the floor and receive “specialized” training sessions to address any deficient areas. After completing this session, the agent must re-take and pass the exam before being allowed on the collection floor. Agent calls are monitored in real time to ensure compliance in all areas. FEDChex Recovery also performs a monthly audit of agent calls by pulling a random sampling. Any agent that receives a failing grade on their call score card must also complete a specialized training session with the collection manager or compliance officer. We pride ourselves on ensuring compliance in order to shield our clients from any vicarious liability.

Location and Hours of Operation

FEDChex Recovery has one office location located in Irvine, CA. All operations including call center, finance, sales and IT are done from this office. The Collection’s Department is open Monday – Friday, 7am PST – 5pm PST

Automation

FEDChex Recovery utilizes proprietary collection software that enables us to tailor our collection program around the needs of our clients. With custom features and applications, our collection software allows us to streamline the collection process to maximize recovery results and provide the scalability our clients require to meet their growing needs.

FEDChex Recovery utilizes its proprietary collection software to effectively track account status, letter and call history to determine call, email and letter communication. Based on specific criteria, Management will automate the distribution process of all mail, email and daily call campaigns to all agents. FEDChex Recovery maintains internal controls and guidelines to ensure all operational commitments are successfully met. FEDChex Recovery analyzes daily processing and collection efforts using custom software and an internal quality assurance program. All policies are reviewed and continuously examined for improvement with FEDChex Recovery's in-house compliance and training personnel. Our goal is to provide our clients with complete confidence in our daily business practices and ability to maintain the level of quality and compliance our clients require.

FEDChex Recovery employs an in-house programming, IT and development team to support our clients needs. FEDChex Recovery provides complete customer and technical support through its Account Management and IT Support Team. Depending on the request or issue, clients can communicate directly with an account manager or elevate technical issues through the following methods.

- Account Management Team
 - o Phone (Mon – Fri 7:00am – 5:00 pm)
 - o Email (7 Days a week, 24 Hours a day)
 - o Web Site (7 Days a week, 24 Hours a day)

- Help Desk / IT Support
 - o Email (7 Days a week, 24 Hours a day)

Placing Accounts

FEDChex Recovery provides multiple options for placing data for collections. The most common way is to set up a secure file transmission through an FTP site. We prefer to receive the data in CSV or excel file format, however we are not opposed to receiving it through mail, fax or email. FEDChex Recovery provides complete online reporting for multiple levels (up to 5) with our corporate level being the highest level down to a department or location level to view accounts. All collection activity and reports are available online at www.fedchex.com. All reports are emailed on a daily, weekly and

monthly basis. These reports are also archived on the website. FEDChex Recovery will take on any account that is with in statue and over the amount of \$25.00. FEDChex Recovery will initiate communication within 24-48 hours from the date placed in our office.

Canceling Accounts

FEDChex Recovery provides clients with the ability to cancel any account placed for collections. Clients will have the ability to report cancellation through automated cancellation files that can be transmitted through secure FTP, email, or can manually request cancellation through email, phone or via web access through client web portal. If the account is being cancelled due to direct payment, FEDChex Recovery will invoice the State for its portion of the contingency amount. FEDChex Recovery will not bill for an account that is cancelled for any other reason such as dispute, sent in error, client courtesy, etc.

Remittance

FEDChex Recovery will remit to client monthly for all amounts collected the month prior. A payout report is generated on or before the 10th of every month summarizing the prior month's collection activity and remit summary. Remittance is done on or before the 20th of every month where clients agreed amount is deposited into client's account via ACH. FEDChex Recovery's reports are transmitted to client via Secure FTP or through email. FEDChex Recovery uses minimum 128-bit encryption for all banking information transmitted via an unsecured electronic network. FEDChex Recovery also utilizes a 2048 bit SHA-256-RSA SSL certificate for communication with third parties. Additionally, PGP encryption is often used on top of secure transmission. All email is encrypted via TLS if the other side supports automated encryption.

d. REPORTING

Standard Reports & Schedule

FEDChex Recovery utilizes several methods when communicating with clients. Scheduled communications such as reports are generated via email and available via web access. Reports can also be automated and transmitted through secure FTP. Depending on the type of report, reports can be generated daily, weekly, and monthly. FEDChex Recovery will also work closely with clients to accommodate reporting needs should standard report not suffice. Reports can be created by both parties and sent via email or through Secure – FTP.

Standard Reports & Schedule

1. Payment Report – Monthly

2. Status Update Report – Daily, weekly or Monthly
3. Account Received Report - Sent Out at Day End on Date Placement File is Received
4. Invoice Report – Monthly (For Clients we bill commission to or for direct payments)
5. Cancellation File (From Client to FEDChex Recovery to cancel accounts from collections)

Upon receipt of payment, the status of an account is immediately updated to reflect the payment and if paid in full updating the status to "Paid in Full" triggering removal of the account from collections and restricting future efforts or payments to be taken on the account.

FEDChex Recovery will also provide client with web access providing the State to monitor and administer the collection process. FEDChex Recovery offers multi user function to access the web and allow for different level of access.

e. COST PROPOSAL

FEDChex Recovery proposes its collection services on a contingency fee basis. With NO upfront costs, proposed payouts are based on the fee structure below.

<u>Agency</u>	<u>Type of Account</u>	<u>% of Amount Collected</u>
Colleges & Universities	Per Debt	18%
Worker's Compensation	Default Account	18%
WV Department of Tax and Revenue	New Accounts	18%
WV Department of Tax and Revenue	Levy Account – Where our employee is instrumental in the preparation of the levies	Do not offer service
Division of Environmental Protection	Per Debt	18%
Other Spending Units	Per Debt	18%
Rate of Second Placement	Per Debt	18%
Rate of Second Placement	Colleges	25%

Attorney Network - (Should State Elect to use Attorney Network)

All accounts uncollected after 180 days from date of placement will be referred to our Attorney Network for secondary collection efforts. Agency shall pay Client sixty-five percent (65%) of all amounts collected and Agency will retain thirty-five percent (35%) of all amounts collected for Client Accounts as Agency Commission.

Where Agency's Services result in a payment directly to Client, Client agrees to pay Agency an amount equal to the Agency Commission for that Client Account if the amounts owed had been collected. All amounts due to Agency from Client will be invoiced and debited from Clients account fifteen (15) days after receipt of invoice.

All amounts due hereunder are to be paid by ACH transfer and instructions reasonably acceptable to Client.

f. STATE OF WEST VIRGINIA REQUIRED FORMS

CRFQ 0212 SWC1900000006

Vendor must complete this schedule, for items being bid. The fee structure submitted to the State of West Virginia is as follows:

Agency	Type of Account	% of Amount Collected*
1. Colleges and Universities	Per Debt	18 %
2. Worker's Compensation	Default Account	18 %
3. WV Department of Tax and Revenue	New Accounts	18 %
4. WV Department of Tax and Revenue	Levy Account - Where our employee is instrumental in the preperation of the levies.	Do NOT OFFER SERVICE
5. Division of Environmental Protection	Per Debt	18 %
6. Other Spending Units	Per Debt	18 %
7. Rate of Second Placement	Per Debt	18 %
8. Rate of Second Placement	Colleges	25 %

* Rates bid shall be all inclusive and shall include all expenses to be incurred in connection with the services performed. (see Specifications 5.2)

Bidder Contact Info

Vendor: FEDCHEX RECOVERY, LLC

Bidder Name (Print): FEDCHEX RECOVERY, LLC

Contact Name (Print): BRYAN DUBE

Phone: 949.440.4646

Fax: 949.440.4611

E-mail: BDUBE@FEDCHEX.COM

Bidder Signatue:



STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

CONSTRUCTION CONTRACTS: Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

ALL CONTRACTS: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: FREDRICK RECOVER, LLC

Authorized Signature: [Signature] Date: 11/9/18

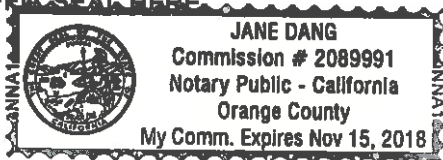
State of CALIFORNIA

County of ORANGE, to-wit:

Taken, subscribed, and sworn to before me this 9th day of NOVEMBER, 2018.

My Commission expires NOVEMBER 15, 2018.

AFFIX SEAL HERE



NOTARY PUBLIC [Signature]

Purchasing Affidavit (Revised 01/19/2018)

WV STATE GOVERNMENT

HIPAA BUSINESS ASSOCIATE ADDENDUM

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective as of the date of execution of the Addendum.

The Associate performs certain services on behalf of or for the Agency pursuant to the underlying Agreement that requires the exchange of information including protected health information protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the "HITECH Act"), any associated regulations and the federal regulations published at 45 CFR parts 160 and 164 (sometimes collectively referred to as "HIPAA"). The Agency is a "Covered Entity" as that term is defined in HIPAA, and the parties to the underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the underlying Agreement into compliance with HIPAA.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, the HITECH Act and its associated regulations, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE: the parties agree that in consideration of the mutual promises herein, in the Agreement, and of the exchange of PHI hereunder that:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
 - a. **Agency Procurement Officer** shall mean the appropriate Agency individual listed at: <http://www.state.wv.us/admin/purchase/vrc/agencyli.html>.
 - b. **Agent** shall mean those person(s) who are agent(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).
 - c. **Breach** shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except as excluded in the definition of Breach in 45 CFR § 164.402.
 - d. **Business Associate** shall have the meaning given to such term in 45 CFR § 160.103.
 - e. **HITECH Act** shall mean the Health Information Technology for Economic and Clinical Health Act. Public Law No. 111-05. 111th Congress (2009).

- f. **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and 164.
- g. **Protected Health Information or PHI** shall have the meaning given to such term in 45 CFR § 160.103, limited to the information created or received by Associate from or on behalf of Agency.
- h. **Security Incident** means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.
- i. **Security Rule** means the Security Standards for the Protection of Electronic Protected Health Information found at 45 CFR Parts 160 and 164.
- j. **Subcontractor** means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

2. Permitted Uses and Disclosures.

- a. **PHI Described.** This means PHI created, received, maintained or transmitted on behalf of the Agency by the Associate. This PHI is governed by this Addendum and is limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the original Agreement, and is described in Appendix A.
- b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original Agreement, or as required by law, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or Associate, or violate the minimum necessary and related Privacy and Security policies and procedures of the Agency. The Associate is directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Agency.
- c. **Further Uses and Disclosures.** Except as otherwise limited in this Addendum, the Associate may disclose PHI to third parties for the purpose of its own proper management and administration, or as required by law, provided that (i) the disclosure is required by law, or (ii) the Associate has obtained from the third party reasonable assurances that the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party by the Associate; and, (iii) an agreement to notify the Associate and Agency of any instances of which it (the third party) is aware in which the confidentiality of the information has been breached. To the extent practical, the information should be in a limited data set or the minimum necessary information pursuant to 45 CFR § 164.502, or take other measures as necessary to satisfy the Agency's obligations under 45 CFR § 164.502.

3. Obligations of Associate.

- a. **Stated Purposes Only.** The PHI may not be used by the Associate for any purpose other than as stated in this Addendum or as required or permitted by law.
- b. **Limited Disclosure.** The PHI is confidential and will not be disclosed by the Associate other than as stated in this Addendum or as required or permitted by law. Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI unless Agency gives written approval and the individual provides a valid authorization. Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Associate will report to Agency any use or disclosure of the PHI, including any Security Incident not provided for by this Agreement of which it becomes aware.
- c. **Safeguards.** The Associate will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the PHI, except as provided for in this Addendum. This shall include, but not be limited to:
 - i. Limitation of the groups of its workforce and agents, to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary or a Limited Data Set;
 - ii. Appropriate notification and training of its workforce and agents in order to protect the PHI from unauthorized use and disclosure;
 - iii. Maintenance of a comprehensive, reasonable and appropriate written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations, in compliance with the Security Rule;
 - iv. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
- d. **Compliance With Law.** The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.
- e. **Mitigation.** Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum, and report its mitigation activity back to the Agency.

- f. **Support of Individual Rights.**
- i. **Access to PHI.** Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying, and in electronic format, if requested, within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524 and consistent with Section 13405 of the HITECH Act.
 - ii. **Amendment of PHI.** Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.
 - iii. **Accounting Rights.** Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR §164.528 and consistent with Section 13405 of the HITECH Act. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:
 - the date of disclosure;
 - the name of the entity or person who received the PHI, and if known, the address of the entity or person;
 - a brief description of the PHI disclosed; and
 - a brief statement of purposes of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure.
 - iv. **Request for Restriction.** Under the direction of the Agency, abide by any individual's request to restrict the disclosure of PHI, consistent with the requirements of Section 13405 of the HITECH Act and 45 CFR § 164.522, when the Agency determines to do so (except as required by law) and if the disclosure is to a health plan for payment or health care operations and it pertains to a health care item or service for which the health care provider was paid in full "out-of-pocket."
 - v. **Immediate Discontinuance of Use or Disclosure.** The Associate will immediately discontinue use or disclosure of Agency PHI pertaining to any individual when so requested by Agency. This includes, but is not limited to, cases in which an individual has withdrawn or modified an authorization to use or disclose PHI.

- g. **Retention of PHI.** Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.
- h. **Agent's, Subcontractor's Compliance.** The Associate shall notify the Agency of all subcontracts and agreements relating to the Agreement, where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum. Such notification shall occur within 30 (thirty) calendar days of the execution of the subcontract and shall be delivered to the Agency Procurement Officer. The Associate will ensure that any of its subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder. The Agency may request copies of downstream subcontracts and agreements to determine whether all restrictions, terms and conditions have been flowed down. Failure to ensure that downstream contracts, subcontracts and agreements contain the required restrictions, terms and conditions may result in termination of the Agreement.
- j. **Federal and Agency Access.** The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI, as well as the PHI, received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504. The Associate shall also make these records available to Agency, or Agency's contractor, for periodic audit of Associate's compliance with the Privacy and Security Rules. Upon Agency's request, the Associate shall provide proof of compliance with HIPAA and HITECH data privacy/protection guidelines, certification of a secure network and other assurance relative to compliance with the Privacy and Security Rules. This section shall also apply to Associate's subcontractors, if any.
- k. **Security.** The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI. In addition, compliance with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII is required, to the extent practicable. If Associate chooses not to adopt such methodologies as defined in 74 FR 19006 to secure the PHI governed by this Addendum, it must submit such written rationale, including its Security Risk Analysis, to the Agency Procurement Officer for review prior to the execution of the Addendum. This review may take up to ten (10) days.
- l. **Notification of Breach.** During the term of this Addendum, the Associate shall notify the Agency and, unless otherwise directed by the Agency in writing, the WV Office of Technology immediately by e-mail or web form upon the discovery of any Breach of unsecured PHI; or within 24 hours by e-mail or web form of any suspected Security Incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency Procurement Officer at www.state.wv.us/admin/purchase/vrc/agencyli.htm and,

unless otherwise directed by the Agency in writing, the Office of Technology at incident@wv.gov or <https://apps.wv.gov/ot/ir/Default.aspx>.

The Associate shall immediately investigate such Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency Procurement Officer, and, unless otherwise directed by the Agency in writing, the Office of Technology of: (a) Date of discovery; (b) What data elements were involved and the extent of the data involved in the Breach; (c) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (d) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (e) A description of the probable causes of the improper use or disclosure; and (f) Whether any federal or state laws requiring individual notifications of Breaches are triggered.

Agency will coordinate with Associate to determine additional specific actions that will be required of the Associate for mitigation of the Breach, which may include notification to the individual or other authorities.

All associated costs shall be borne by the Associate. This may include, but not be limited to costs associated with notifying affected individuals.

If the Associate enters into a subcontract relating to the Agreement where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum, all such subcontracts or downstream agreements shall contain the same incident notification requirements as contained herein, with reporting directly to the Agency Procurement Officer. Failure to include such requirement in any subcontract or agreement may result in the Agency's termination of the Agreement.

- m. **Assistance in Litigation or Administrative Proceedings.** The Associate shall make itself and any subcontractors, workforce or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inaction or actions by the Associate, except where Associate or its subcontractor, workforce or agent is a named as an adverse party.

4. Addendum Administration.

- a. **Term.** This Addendum shall terminate on termination of the underlying Agreement or on the date the Agency terminates for cause as authorized in paragraph (c) of this Section, whichever is sooner.
- b. **Duties at Termination.** Upon any termination of the underlying Agreement, the Associate shall return or destroy, at the Agency's option, all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents

and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying Agreement.

- c. **Termination for Cause.** Associate authorizes termination of this Agreement by Agency, if Agency determines Associate has violated a material term of the Agreement. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.
- d. **Judicial or Administrative Proceedings.** The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA/HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined. Associate shall be subject to prosecution by the Department of Justice for violations of HIPAA/HITECH and shall be responsible for any and all costs associated with prosecution.
- e. **Survival.** The respective rights and obligations of Associate under this Addendum shall survive the termination of the underlying Agreement.

5. General Provisions/Ownership of PHI.


- a. **Retention of Ownership.** Ownership of the PHI resides with the Agency and is to be returned on demand or destroyed at the Agency's option, at any time, and subject to the restrictions found within section 4.b. above.
- b. **Secondary PHI.** Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an individual must be held confidential and is also the property of Agency.
- c. **Electronic Transmission.** Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an individual must not be transmitted to another party by electronic or other means for additional uses or disclosures not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.
- d. **No Sales.** Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.
- e. **No Third-Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. **Interpretation.** The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.
- g. **Amendment.** The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.
- h. **Additional Terms and Conditions.** Additional discretionary terms may be included in the release order or change order process.

AGREED:

Name of Agency: _____

Name of Associate: FEDCHEX RECOVERY, LLC

Signature: _____

Signature: 


Title: _____

Title: EVP, BUSINESS DEVELOPMENT

Date: _____

Date: 11/9/18

Form - WVBAA-012004
Amended 06.28.2013

APPROVED AS TO FORM THIS 21st
DAY OF NOV 20 18

Patrick Morrissey
Attorney General
BY _____

Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. PHI not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Associate: Bryan Dube

Name of Agency: FEDDEX RECOVERY, LLC

Describe the PHI (do not include any actual PHI). If not applicable, please indicate the same.

All possible Personal Health Information.

- Any and all personally identifiable information including but not limited to patient name, address, date of birth, Social Security Number, telephone number, and insurance information.

REQUEST FOR QUOTATION
CRFQ 0212 SWC190000006
Debt Collection Services

8. VENDOR DEFAULT:

8.1. The following shall be considered a vendor default under this Contract.

8.1.1. Failure to perform Contract Services in accordance with the requirements contained herein.

8.1.2. Failure to comply with other specifications and requirements contained herein.

8.1.3. Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

8.1.4. Failure to remedy deficient performance upon request.

8.2. The following remedies shall be available to Agency upon default.

8.2.1. Immediate cancellation of the Contract.

8.2.2. Immediate cancellation of one or more release orders issued under this Contract.

8.2.3. Any other remedies available in law or equity.

9. MISCELLANEOUS:

9.1. Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: BRYAN DUBE
Telephone Number: 949.440.4646
Fax Number: 949.440.4611
Email Address: BDUBE@FEDEX.COM

West Virginia Ethics Commission



Disclosure of Interested Parties to Contracts

Pursuant to *W. Va. Code* § 6D-1-2, a state agency may not enter into a contract, or a series of related contracts, that has/have an actual or estimated value of \$1 million or more until the business entity submits to the contracting state agency a Disclosure of Interested Parties to the applicable contract. In addition, the business entity awarded a contract is obligated to submit a supplemental Disclosure of Interested Parties reflecting any new or differing interested parties to the contract within 30 days following the completion or termination of the applicable contract.

For purposes of complying with these requirements, the following definitions apply:

"Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership or corporation, but does not include publicly traded companies listed on a national or international stock exchange.

"Interested party" or *"Interested parties"* means:

- (1) A business entity performing work or service pursuant to, or in furtherance of, the applicable contract, including specifically sub-contractors;
- (2) the person(s) who have an ownership interest equal to or greater than 25% in the business entity performing work or service pursuant to, or in furtherance of, the applicable contract. (This subdivision does not apply to a publicly traded company); and
- (3) the person or business entity, if any, that served as a compensated broker or intermediary to actively facilitate the applicable contract or negotiated the terms of the applicable contract with the state agency. (This subdivision does not apply to persons or business entities performing legal services related to the negotiation or drafting of the applicable contract.)

"State agency" means a board, commission, office, department or other agency in the executive, judicial or legislative branch of state government, including publicly funded institutions of higher education: Provided, that for purposes of *W. Va. Code* § 6D-1-2, the West Virginia Investment Management Board shall not be deemed a state agency nor subject to the requirements of that provision.

The contracting business entity must complete this form and submit it to the contracting state agency prior to contract award and to complete another form within 30 days of contract completion or termination.

This form was created by the State of West Virginia Ethics Commission, 210 Brooks Street, Suite 300, Charleston, WV 25301-1804. Telephone: (304)558-0664; fax: (304)558-2169; e-mail: ethics@wv.gov; website: www.ethics.wv.gov.

West Virginia Ethics Commission
Disclosure of Interested Parties to Contracts

(Required by W. Va. Code § 6D-1-2)

Name of Contracting Business Entity: FEDDEX RECOVERY, LLC Address: 27042 TOWNE CENTRE DR, STE 150
FOOTHILL RANCH, CA 92610

Name of Authorized Agent: BRYAN DUBE Address: SAME AS ABOVE

Contract Number: _____ Contract Description: DEBT COLLECTION SERVICE

Governmental agency awarding contract: _____

Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

1. Subcontractors or other entities performing work or service under the Contract

Check here if none, otherwise list entity/individual names below.

2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)

Check here if none, otherwise list entity/individual names below.

3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)

Check here if none, otherwise list entity/individual names below.

Signature: 

Date Signed: 11/9/18

Notary Verification

State of CALIFORNIA, County of ORANGE:

I, BRYAN DUBE, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 9th day of NOVEMBER, 2018.

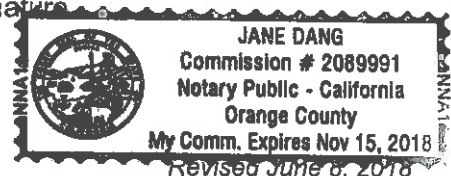

Notary Public's Signature

be completed by State Agency:

Date Received by State Agency: _____

Date submitted to Ethics Commission: _____

Governmental agency submitting Disclosure: _____



Vendor must complete this schedule, for items being bid. The fee structure submitted to the State of West Virginia is as follows:

Agency	Type of Account	% of Amount Collected*
1. Colleges and Universities	Per Debt	18 %
2. Worker's Compensation	Default Account	18 %
3. WV Department of Tax and Revenue	New Accounts	18 %
4. WV Department of Tax and Revenue	Levy Account - Where our employee is instrumental in the preparation of the levies.	Do NOT offer SERVICE
5. Division of Environmental Protection	Per Debt	18 %
6. Other Spending Units	Per Debt	18 %
7. Rate of Second Placement	Per Debt	18 %
8. Rate of Second Placement	Colleges	25 %

* Rates bid shall be all inclusive and shall include all expenses to be incurred in connection with the services performed. (see Specifications 5.2)

Bidder Contact Info

Vendor: FEDCHEX RECOVERY, LLC

Bidder Name (Print): FEDCHEX RECOVERY, LLC

Contact Name (Print): BRYAN DUBE

Phone: 949.440.4646

Fax: 949.440.4611

E-mail: BDUBE@FEDCHEX.COM

Bidder Signatue:

