

COLORADO FAIR DEBT COLLECTION PRACTICES ACT VERIFIED BOND CLAIM FORM

BOND CLAIM INSTRUCTIONS

Collection agencies licensed in Colorado, other than debt buyers, must file a surety bond or assign a cash deposit of at least \$12,000 with the Consumer Credit Unit (CCU). The amount of the bond varies depending on the average annual amount collected by the agency. The maximum bond amount required is \$20,000.

The bond protects clients who placed debts with the collection agency for collection, but did not receive remittances of money collected. It is imperative that you file a claim as quickly as possible following the discovery of the deficiency. The collection agency is permitted to retain the fees or commissions contracted for, so your claim must be reduced by these amounts. The bond covers only amounts paid by consumers on debts owed for personal, family, or household purposes. It does not cover amounts collected on business, commercial, agricultural, or investment debts, even if owed by an individual.

In order to file a claim against a collection agency, please complete the attached form.

If the amount of your claim does not exceed \$10,000 and the claimant is a “closely held entity” (not more than three owners), an officer (if a corporation), a general partner (if a partnership), a managing member (if a limited liability company), or a member (if a limited partnership association), or any other authorized person may file the bond claim form and represent you at any bond hearing if that person provides satisfactory evidence, at or prior to the hearing, of their authority to represent the entity. A written resolution from a “closely held entity” authorizing the person to act on its behalf is sufficient evidence of that person’s authority [see section 13-1-127 of the Colorado Revised Statutes (C.R.S.)].

If you are not a “closely held entity” **–OR–** if the amount of the claim exceeds \$10,000, an attorney must represent you. Sole proprietors may be represented by the individual owner, regardless of the amount of the claim.

Any decision to make a demand for payment will be based on the information you provide. Therefore, it is important for you to complete this form as completely and accurately as possible. It is your obligation to prove the validity of the claim. This may include copies of canceled checks or receipts for cash payments from consumers to the agency, correspondence, affidavits, agency account statement or status reports, copies of insufficient funds checks from the agency or other documentation as applicable.

The amount of the bond is the maximum amount that the Administrator can demand. If all valid claims exceed the bond amount, claims may be prorated. The Administrator cannot award damages, interest or other remedies that may be available in a private lawsuit. You have the right to file your own legal action against a collection agency for failure to remit funds owed.

Please contact us if you have any questions about the bond claim form or process.

COLORADO FAIR DEBT COLLECTION PRACTICES ACT VERIFIED BOND CLAIM FORM

1. Date:

2. Name of Collection Agency you are filing against:

3. Address of Collection Agency you are filing against (Street, City, State, Zip Code):

4. Your Company Name:

5. Address of your Company (Street, City, State, Zip Code):

6. Your Federal Tax Identification Number (EIN):

7. Name of Person Completing this Form:

8. Your Contact Information (Phone Number and Email Address)

9. Do you have a written contract with the Collection Agency?

Yes

No

If yes, please attach a copy of the contract.

10. What amount(s) was the collection agency entitled to retain according to your agreement?

11. What fee arrangement do you have with this collection agency? Be specific and indicate amounts for flat fee, percentage, non-legal, legal accounts, etc.

12. What is the basis of your claim (was money collected by the collection agency, but not paid to your company)? Please explain and attach any information and/or documentation you may have such as evidence of assignment of debts to the collection agency or evidence that collection(s) were made. Without evidence that money was collected and not remitted, it may be insufficient to establish your claim.

13. What attempts have you made to obtain those funds from the collection agency? Attach applicable documentation.

14. List any documents you have to substantiate your claim that an account you assigned to the collection agency was collected but not paid to you. Attach a legible copy of this list (attach a separate page if necessary).

15. Formula for calculating the amount of your bond claim:

a. Gross Amount collected by the collection agency but not remitted to you:

\$

b. Minus Collection Agency Fee or Commission

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c. Equals your bond claim amount

= \$

IMPORTANT NOTE: If the claimant is a legal entity (other than a sole proprietor) and the claimed amount is more than \$10,000 –OR– if the claimant is not a “closely held entity,” regardless of the claimed amount, the bond claim must be filed by an attorney. A “closely held entity” is a legal entity with no more than three owners (see section 13-1-127, C.R.S.). This form must be notarized.

By signing below, I attest to the validity of the amount I have claimed, that the amounts claimed are for debts owed by individuals for personal, family or household purposes and that this claim does not include amounts for business, commercial, agricultural, or investment debts.

Notarized signatures of the person completing this bond claim form:

(Claimant's Signature)

Title:

Subscribed and sworn to before me in the County of _____, State of _____
this _____ day of _____ 20____.

NOTARY PUBLIC

My Commission Expires:

Attorney Representation

Attorney's Name:

Address (Street, City, State, Zip Code):

Signature:

Phone Number:

Email Address: