

DEBT MANAGEMENT AGREEMENT

Please read the following statements carefully so that you will understand the provisions of the Debt Management Plan. Initial the line next to each section to indicate your understanding of that provision. For simplification the singular is used even when the plural may apply.

_____ I engage the professional services of CCCS to provide debt management counseling services in negotiating a repayment plan hereinafter referred to as a Debt Management Plan or "DMP" with my creditors. The debt management provider will act as a third party debt consolidator by sending deposited funds to your creditors each month. I freely volunteer to abide by the provisions of this agreement which are as follows:

_____ I understand that I am responsible for disclosing to CCCS accurate information, to the best of my knowledge, about all of my creditors and sources of income. In consideration of and in furtherance of services to be provided by CCCS, I hereby expressly authorize CCCS, its employees, agents/volunteers to:

1. Disclose any information concerning my financial condition and status, including but not limited to income, debts, credits, earnings, assets, and residential and work addresses to creditors listed by me unless otherwise required by law, and;
2. Obtain whatever financial information concerning me from any creditors, as the agency deems necessary and;
3. Use a third party to transfer my funds and/or to receive/send information about my account to/from my creditors.

_____ I agree to deposit with CCCS \$_____ on _____ and \$_____ on _____ each month under the repayment plan negotiated by CCCS. CCCS will add a one-time \$_____ set-up fee and a monthly contribution of \$_____ (which may be waived at the discretion of the counselor) to help defray the cost of operating CCCS, a non-profit organization. CCCS will place my monthly payment in a trust account until the monthly disbursement to my creditors. From the day of my payment to the day of disbursement, the trust funds will be earning interest which will be used to help defray the cost of operating CCCS. I agree to make all deposits by cashier's check or money order made out to CCCS. I understand that CCCS will not accept cash or personal checks. For the purpose of the accounting for and the disbursement of my funds, I expressly agree to permit CCCS to combine my funds with the funds of other clients being serviced by CCCS in a Trust Deposit Account. **First payment scheduled to be disbursed on _____.**

_____ With respect to my credit history, I understand that my participation in a debt repayment program may change information which is already on my credit report. If my credit report reflects that I have paid creditors as agreed in the past, a Debt Management Plan could have a negative impact on a creditworthiness decision by a potential creditor, landlord, or employer in the future.

_____ With respect to additional creditor charges and duration of the DMP, I understand that estimated finance charges, fees or penalties imposed by creditors may increase my overall indebtedness as well as the length of time required to fully pay my creditors over and above the estimates provided by CCCS. I further understand that increasing my DMP deposit may have a favorable impact on these charges, reducing the amount of time estimated to achieve completion of my DMP. Therefore, as it is in my best interest, I will make every effort to increase my deposit whenever possible. CCCS will provide as precise an estimate as possible for the duration of the DMP. I understand that my DMP may take approximately \$_____ to pay in full, with approximately \$_____ in fees. Fees are calculated based on ability to pay and can range from \$0 to \$35 per month, this amount is not to exceed 15% of the amount disbursed to creditors each month.

Termination of agreement:

1. I understand that CCCS reserves the right to discontinue my Debt Management Plan if I fail to make two (2) consecutive monthly deposits in full or I make more than four (4) partial deposits in a year's time, totaling less than 50 percent of my required deposit. Creditor cooperation depends on consistent payments through CCCS. A Debt Management Plan cannot be re-opened without re-counseling.
2. I understand that this agreement can be terminated immediately by CCCS if it is found that I have provided any false information to CCCS, if I have paid creditors on my own, or if I fail to comply with any other provisions, terms, or conditions of this agreement. I understand that I can terminate this agreement for any reason by providing written notice to CCCS at any time before midnight of the third business day after I enter into the agreement; or at any time during the remaining term of the agreement by giving 10 calendar day's written notice to CCCS. If this agreement is terminated by CCCS or me, any fees paid before the cancellation will be refunded if I cancel within 3 days of entering into the contract; or if I cancel with 10 day's written notice, any funds not expended to creditors will be returned to me. I understand that if my DMP is terminated, CCCS will notify my creditors in writing.
3. I understand that my creditors voluntarily cooperate with CCCS in this debt repayment plan. I further understand that if I miss one or more deposits, make partial deposits, or for any other reason they deem appropriate, my creditors reserve the right to discontinue any concessions made to me under the DMP with respect to interest penalties, and fees.
4. If I cancel my agreement, CCCS will refund fees paid before the cancellation (cancelled within 3 days of entering into the contract).
5. CCCS will return all of my funds that have not been sent to creditors, if cancelled with 10 days written notice.

Other provisions:

1. CCCS agrees to send me quarterly statements of payments made through CCCS. I agree to monitor my statements from creditors to verify that payments have been received and to notify CCCS of significant differences between the balance on creditor statements and CCCS statements. I understand that I have the right to review my file in the presence of a CCCS staff member during regular business hours or receive a full written statement of my account within 2 business days electronically or within 7 days by mail.
2. I understand that though a counselor may answer questions about bankruptcy, CCCS does not provide legal advice. If legal advice is needed, I will seek appropriate assistance.
3. I understand that CCCS, in its discretion may make changes to this agreement including increases in monthly service charges, by giving me thirty (30) days written notice.
4. I understand that authorized CCCS staff or others with legitimate authority to monitor CCCS practices may review my file for quality assurance, compliance, and research purposes. If such review should occur, I understand that my identity will be kept confidential in any findings.
5. I hereby agree to hold CCCS, its employees, officers, directors, and agents harmless from any claim, suit, action, or demand made by any of my creditors or any other person, which in any manner may arise from any action or inaction taken by CCCS or my creditors in connection with any services rendered by CCCS for me.

Usage of credit: I hereby certify that all of my credit cards have either been returned to the creditor, lost, damaged, or turned into CCCS for disposal. I voluntarily agree that no further charges will be made on the accounts. In the event that there is no balance on an account, I will request that the creditor close the account. I further understand and agree that I will not apply for, nor will I ask anyone for more credit or assume any new debts without prior CCCS approval.

***** The following applies ONLY to settlement companies ***
WE ARE NOT A SETTLEMENT COMPANY**

The following is required by Oregon law, but does not apply to the services we provide.

- N/A 1. Any cancelled debt may constitute income that is subject to state and federal taxation. If you use a settlement company, you are advised to consult with a tax professional.
- N/A 2. Debt management providers doing debt settlement shall notify your creditors in writing that they may negotiate with your creditors on your behalf.

I acknowledge that I have read, understand and initialed each of the above provisions, terms, and conditions of this agreement. Both CCCS and I have received a copy of the information worksheet showing the number of debts included on the plan, the proposed payment to each creditor, as well as; the total debt owed and the total DMP debt. Both CCCS and I have received a copy of this agreement. CCCS and I agree that there are no other agreements, promises, or representations, unless executed in writing between CCCS and me other than those contained in this agreement.

Applicant

Counselor

Applicant

Date

Credit cards destroyed: By CCCS _____
By Client _____

Q & A Handout Provided: YES / NO