



SCOPE

www.commercialcollector.com

April 2024

Published by
the International
Association of
Commercial
Collectors, Inc.



IACC Leaders Ready to Advocate for Industry

The proposed Minnesota Debt Fairness Act, under review in the Senate at the time this issue was published, relates to “consumer protection, modifying various provisions governing debt collection, garnishment and consumer finance; providing for debtor protections,” among other third-party debt collection topics.

But in its early stages, it also included a provision that would have looped in small business debt.

The legislation as introduced included language amending the definition of “debt” in a way that would have included small business debt as consumer debt. The original bill language (which has since been removed) stated:

Subd. 7a. Debt. “Debt” means any obligation or alleged obligation to pay money arising out of a transaction in which the money, property, insurance, or services that are the subject of the transaction are primarily for personal, family, or household purposes, whether or not the obligation has been reduced to judgment. For purposes of this chapter, the term debt also refers to any obligation or alleged obligation arising from owning and operating a small business, as defined in section 645.445, regardless of the small business’s purpose.

Additionally, the legislation proposed to redefine “collection agency” or “licensee” to include attorneys whose principal or exclusive practice involves debt collection.

IACC Advocacy

IACC always monitors legislation that might have a negative impact on its members or on their clients and customers. IACC President Valerie Ingold, managing director of Commercial Collection Corp. of NY, and IACC board member Wanda Borges, attorney at Borges & Associates, LLC, are prepared to advocate on IACC members’ behalf.

Ingold said that any time legislators consider blurring the line between commercial and consumer collections, IACC will get involved.

“The IACC staff and board are always looking out for our industry’s best

continued on page 3

OFFICERS

Valerie Ingold

President

Commercial Collection
Corp. of NY
Tonawanda, N.Y.

Erwin Falkner

Vice President

Agree2Act
West Malling Kent, UK

Jim McConville

Treasurer

AMS, A Radius Global
Solutions Company
Fair Lawn, N.J.

Bill Mann

Immediate Past President

Joseph, Mann & Creed
Twinsburg, Ohio

DIRECTORS

Wanda Borges

Borges & Associates
Syosset, N.Y.

Greg Cohen

Caine & Weiner
Sherman Oaks, Calif.

Jassim Darwish

Epic Credit Recoveries
Manama, Bahrain

Randy Frazee

BARR Credit Services
Tucson, Ariz.

Gary Tier

The Forwarders List of Attorneys
Princeton, N.J.

Tony Terry

Continental Recovery & Filing
Solutions D/b/a CRF Solutions
Simi Valley, Calif.

Robert Tharnish

ABC-Amega, Inc.
Buffalo, N.Y.

Gary Tier

The Forwarders List
of Attorneys
Princeton, N.J.

EMERGING

LEADERS

HONORARY

BOARD MEMBER

Michelle Lindsay

ABC-Amega, Inc.
Buffalo, N.Y.

PRESIDENT'S LETTER



Excitement Awaits in San Diego

By Valerie Ingold, IACC President

What else can I say about mid-year conferences that I haven't already?

Well to start, the IACC mid-year event is in San Diego this summer! I've been to San Diego quite a few times, both for conferences and to see clients in and around the area. It's a great area to have business in. The city has great restaurants, it's right on the water and the weather is always fantastic.

I recently had the opportunity to visit with my family, though, and experienced the city in a whole new way. Fourteen of us descended on the city for a long weekend and packed our days with adventure. Our group ranged in ages from under a year old to into our 40s, and we found something for everyone while we were there.

We spent time at Belmont Park, with the kids making themselves sick on the rides and the adults making ourselves sick on ice cream. We split a day up and spent the morning at Ocean Beach watching the teenagers attempt to surf and got a little retail therapy in the afternoon in Old Town. We spent a whole day at the San Diego Zoo and Balboa Park—and probably could have added another day there, to be honest. We spent a whole day at La Jolla, hanging out on the beach, shopping and golfing. And we ate like royalty! Every meal was better than the last. My time there gave me a whole new perspective on a city I thought I knew well.

I say all this to tell you that what I thought of as an in-and-out city to see clients or attend a conference is a trip that, when given the choice, I would extend into a family vacation in a heartbeat.

If I say so myself, we at the IACC pick great locations: Miami most recently, Puerto

Rico in January and San Diego in July. As I've said before, you can't beat the mid-year conference to connect with colleagues in a more intimate setting, get to know each other even better and introduce first-time attendees to our organization and industry.

And San Diego, with its vibrant culture, stunning coastline, and abundance of attractions, epitomizes the perfect setting for a mid-year conference. Beyond the first-rate education and great networking opportunities of the conference, you can immerse yourself in the dynamic energy of the city, leveraging the extra downtime to explore its offerings.

And I now know that blending a mid-year conference with a family vacation in San Diego would transform a pretty great business trip into a multifaceted adventure. The city's family-friendly amenities and activities cater to all ages, ensuring that while professionals are engaged in the conference, their loved ones can indulge in unforgettable experiences nearby.

As demonstrated by my recent family getaway, San Diego proved to be not just a destination for business, but a destination for creating amazing memories. Attending a mid-year conference in San Diego doesn't have to just be about connecting with colleagues and getting up to date on the latest in the industry; it can also be about seizing the chance to blend work with leisure, creating a well-rounded experience that leaves a lasting impression on both personal and professional fronts.

So, when considering attending our mid-year conference, seize the opportunity to transform it into a memorable family adventure, enriching not only your career but also your life!

We can't wait to see you there!

interests,” she said. “We have channels to keep in-the-know and work with lobbyists to fight regulations that come up. When necessary, we request that our members call and write letters for our industry. You can rest easy knowing that the IACC has its finger on the pulse and is ready to fight on your behalf.”

The Minnesota Debt Fairness Act, as proposed, was alarming to Ingold and Borges.

“The original bill presented in Minnesota would have had several negative consequences for IACC members and their clients/customers,” Borges said. “It would have compelled commercial collection agencies to learn about the FDCPA, change their demand letters to comply with the FDCPA, and create new methods for collecting debts from small businesses because the original bill intended to treat small businesses as though they were consumers. Many commercial collection agencies do not handle consumer or retail collections in order to not have to get involved with additional compliance issues.”

She added that most of IACC members’ clients are credit grantors that extend credit to small and large businesses. If small businesses were to be treated as consumers, there would be several negative impacts on these trade credit grantors, including:

- Trade creditors would be hesitant to extend credit to small businesses in order to protect themselves from the potential of future debts, which would be difficult to collect;
- Trade creditors would, in fact, have difficulty collecting past-due receivables from small businesses, which would be protected under the FDCPA; and
- Some trade credit grantors are themselves small businesses, and the inability to collect debts could be devastating to them.

While IACC does not engage an independent lobbyist, it actively works with ACA International on its lobbying efforts and has participated in a coalition of trade associations, including with ACA, the Commercial Law League of America and Commercial Collection Agencies of America, to voice opposition to bills that could have a negative impact on IACC members.

Fortunately, after meeting with representatives from the Minnesota attorney general’s office, bill sponsors and other proponents of the legislation, and explaining this unnecessary expansion of debt collection regulations would harm businesses and consumers, both the commercial debt and attorney licensing provisions of the legislation were removed.

“While there have been many amendments to the Minnesota Debt Fairness Act since those initial changes, and more are expected throughout the legislative process, we were pleased to see these provisions removed from the bill prior to the first hearing in the House Commerce Finance and Policy committee,” said Andrew Madden, ACA International’s vice president of government and state affairs.

Ingold and Borges want legislators to understand that commercial debt is very different from consumer debt and should not be compared to it. Small business owners are entrepreneurs who accept a certain amount of risk when opening a business. Compared to consumers, small businesses have superior bargaining power with their commercial suppliers and they have greater means of redress for disputes and grievances should they arise. Owners of small businesses that are incorporated or set up as limited liability companies are already protected by the corporate or LLC shell and cannot be pursued unless they have signed a personal guaranty.

The Future of the Minnesota Bill

ACA continues to work with a coalition of accounts receivable management industry partners to provide input on the proposed bill to legislators.

Bill amendments passed out of the Senate Committee on Commerce and Consumer Protection related to third-party debt collection include:

- Requiring health care providers to make their policy for collection of medical debt from patients available to the public.
- Preventing health care providers from denying medically necessary health treatments or services to a patient, any member of the patient’s family, or household because of outstanding medical debt.
- Creating several prohibited practices for collecting parties. These include “threatening wage garnishment, [using] sheriffs or officers to serve legal papers in connection with a claim, and [using] or threaten[ing] to use methods of collection [that] violate Minnesota law.”
- Setting the interest rate for medical debt at a rate of \$4 upon \$100 for a year.
- Exempting funds in a depository account up to \$4,000.
- Exempting funds up to \$4,000 in value during a bankruptcy.

If the legislation moves forward in its current form, it would make Minnesota the only state with a three-year statute of limitations coupled with a five-year nonrenewable judgment.

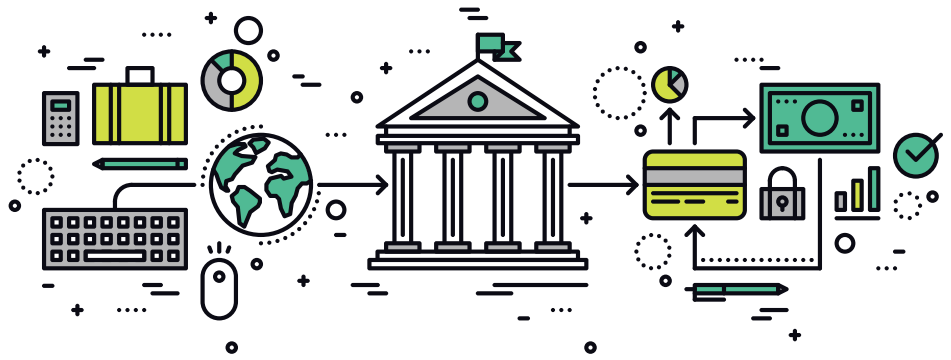
Collection Companies Turn to ACH for Speed and Ease

Companies are increasingly moving away from paper checks in favor of electronic payments like ACH. An ACH payment transfers money between bank accounts using the Automated Clearing House Network. The system has been around for decades, but when internet-initiated electronic check applications were introduced in 2001, ACH use started to take off.

Nacha, the entity that governs ACH, reported that the ACH Network securely handled 31.5 billion payments valued at \$80.1 trillion in 2023, and that B2B payment volume on the ACH Network saw double-digit growth last year.

Lee VandenHeuvel, president of Ross, Stuart & Dawson Inc., said that his company has significantly reduced its use of paper checks over the past few years. In fact, it now encourages debtors to pay via ACH or credit card in lieu of checks. As for vendors, 95% of incoming invoices are now paid with a credit card on file or ACH. ACH payments make up about 50% of the company's total debtor payments, followed by credit cards at 23% and checks at 24%.

VandenHeuvel said that it was the



U.S. Postal Service's mail delivery delays that led his company to start promoting electronic payment methods like ACH.

"I never thought that as a collection agency we would be paperless and not accepting checks," VandenHeuvel said. "And now here we are in 2024 and we're doing both: we're paperless and we don't take checks."

Benefits of ACH

Switching to ACH payments brings multiple benefits, including lower administrative costs.

The median cost of initiating and receiving an ACH payment for businesses is between 26 cents and 50 cents, according to an Association for Financial Professionals survey, compared to a median cost of between \$2.01 and \$4 for paper checks.

VandenHeuvel pointed out that even if you do remote capture with paper checks, you still have staff running the

remote capture machine and reconciling checks with the bank.

"And I would add the expense side goes down with ACH because we're not paying collector resources as much to chase debtors down for their missing checks—it's fewer calls and fewer emails, because once you do ACH it's kind of on autopilot," VandenHeuvel said.

ACH transactions are also faster than waiting for delivery from the U.S. Postal Services, resulting in reduced collection and remittance times.

"There's a pretty significant appetite for people to be paid sooner," said Joe Batie, president and chief commercial officer at Caine & Weiner. "There's no advantage for us to have the float."

Batie said his company decided to transition from paper checks to ACH five years ago in part to reduce fraud exposure due to stolen checks.

Checks have long been the payment method most vulnerable to fraud,

continued on page 5

New Members as of March 11, 2024

To learn more about IACC member companies, visit our Member Directory: <https://members.commercialcollector.com/directory>.

Associate Membership

The Moore Group
Santa Ana, California

Gantoi Furculita Si Asociatii
Bucharest, Romania

Lippman Recupero
Tucson, Arizona

WELCOME!

according to the [2023 AFP® Payments Fraud and Control Survey](#), with 63% of respondents reporting their organizations faced fraud activity via checks.

Criminals have been increasingly targeting the U.S. Postal Service to commit check fraud since the COVID-19 pandemic. The Financial Crimes Enforcement Network recently alerted banks that there's been a nationwide surge in check fraud.

Batie acknowledged that there are some security risks with ACH—for example, payments could be intercepted if account security measures are not in place. It's important to implement multi-factor authentication for ACH transactions to protect against unauthorized payments leaving an account. He also recommended having approval processes for auto-drafts from vendors to prevent funds from being released without confirmation.

Changing Payment Behavior

It's hard to change a habit, especially one as longstanding as checks.

Caine & Weiner started pushing ACH payments by focusing on client remittances since that was where they had the highest volume of paper checks. When new clients came on, the company told them that its standard remittance was ACH. Batie estimated that 98% of new clients in the last five years have used ACH remittances from the start.

After successfully transitioning clients to ACH, the company then focused on vendors with recurring payments. Setting up vendors for auto-draft or sending them ACH payments created efficiencies for both parties. Batie said vendors are happier receiving payments via ACH since the money is immediately available in their bank account. Sending invoices and payment details electronically along with ACH payments reduces paperwork for both the collection company and vendors.

The Fight Against Check Fraud

The American Bankers Association and U.S. Postal Inspection Service announced a joint effort to combat check fraud, which has increased by 385% since the pandemic. Their initiative will focus on:

- Educating U.S. Postal Service and bank customers about how to protect themselves against fraud;
- Addressing money mules and collusive account holders;
- Collaborating with law enforcement; and
- Training bank employees and postal workers on red flags.

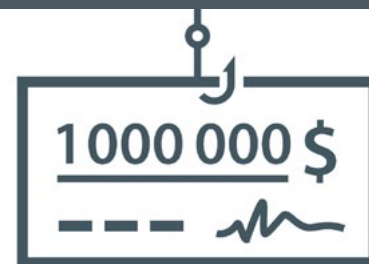
“From there, it's sort of grown as we thought of other ways we can utilize ACH to minimize the risk of checks floating out in the world,” Batie said. “Now we are polling all of our attorney partners to ask, ‘What does it look like for you to accept ACH?’ That's an ongoing project.”

VandenHeuvel's company updated all its demand letters and email templates to give debtors simple instructions on payment methods. The letters now state: “You can pay online at [payment portal link] via credit, debit or ACH.”

“We've made an effort to discourage debtors from mailing us a check,” VandenHeuvel said. “We don't want checks anymore. We treat them like obsolete objects. We don't want to write them and send them to our vendors. We don't want debtors to send them to us because we don't know if we'll get them. It takes a lot of time and resources to chase checks down.”

Ross, Stuart & Dawson Inc. will make an exception, such as if debtors tell the company they don't have credit cards and absolutely refuse to use ACH, but it's used as a last resort to get the payment.

“I won't reject a payment just because they don't want to give us money in our preferred way,” VandenHeuvel said. “We will take a check when we must. We're just not going to promote or encourage it.”



He estimated that 80% of IACC agency members would say they are taking payments by ACH, credit cards and checks, “but I would think they would all say that the percentages are skewing higher towards the electronic side—ACH and credit cards—and less on the checks.”

While there will probably always be a small percentage of clients and vendors who prefer to use paper checks rather than fully transitioning to ACH payments, as younger generations enter the business world, ACH use will likely increase.

“There are probably some holdouts in every corner of our industry,” Batie said. “But I think that over time, the percentage of people who prefer ACH will continue to grow.”

New Member-Get-a-Member Program

IACC is committed to growing its membership. We are excited to announce that we're now offering a referral credit bonus to anyone who refers a new member and is accepted into the IACC.



Program Benefits

- For every approved new member you refer, you will receive \$250 in IACC credit.
- If that new member renews for a second year, you will receive an additional \$100.
- There is no limit to the number of referrals you can submit—we welcome as many new members as you can provide.
- You can use this credit toward membership dues, education programming, convention registration, or directory upgrades.

The Fine Print

- You must be listed as the referral source on the prospective member's application to receive the credit.
- Credits expire after two years.
- You must email IACC or call (952) 925-0760 to redeem your credit.
- If the credit is used for registration to an event or educational programming, please contact the IACC staff before you register to ensure application of your credit.

- You cannot split a credit. For example, you can't take a \$250 credit and apply \$125 toward a convention registration and \$125 toward dues. The full value must be applied.

[Learn more about the program right here.](#)

Let CIA Protect Your Business

Collectors Insurance Agency provides IACC members exclusive access to world-class commercial insurance products, including bonds and licensing services tailored to each member's specific needs. Our staff offers the highest degree of professional care and ethics.

Insurance

Collectors Insurance Agency is staffed with licensed professionals dedicated to helping IACC members succeed. We provide 24-hour turnaround for certificates of insurance, assistance with your applications, a proactive review of your losses and corrective measures, a review of your clients' contractual insurance requirements, coverage audits, and exposure analysis of your outside-the-box professional services.

Licensing

Our professional staff works with proprietary automation to bring you the finest, most affordable licensing service available. We offer:

- Qualifications
- Initial Licensing
- License Renewals
- Amendments
- Withdrawals

Bonds

Collectors Insurance Agency's renowned surety Bond Program offers automatic renewals, expedited on-site document preparation, highly competitive rates, and a thorough knowledge of your bonding requirements.



To learn more about our industry-specific commercial insurance, surety programs and licensing services, call (952) 926-6547 and ask for the Collectors Insurance Agency. ■

Former IACC Executive Director Ted Smith to Retire

Smith's career, both with IACC and ACA International, is marked with many achievements.

IACC's former executive director Ted Smith announced that he will retire from his role as chief operations officer of ACA International on June 7, 2024, after serving the third-party and commercial collection industry for close to 40 years.

Notably, Smith led IACC for 20 years, from 1990-2010.

IACC Leadership Highlights

Smith helmed IACC during a key time in its history, with the association moving toward a more expansive and forward-thinking mindset.

During his tenure, IACC launched the Certified Commercial Collector Program and unveiled its Agency Certification Program. It also redefined its membership, breaking it into four categories: agency, associate, law list and affiliate.

IACC experienced many changes under Smith's leadership. For example, in 1994, the board voted to change the name of the association from the American Commercial Collectors Association to the International Association of Commercial Collectors. Later, it moved into the digital age, holding its first-ever teleseminar in 2000 and launching its website in 2003.

Smith played a pivotal role in promoting the commercial collection industry to a variety of audiences. Whether he was hosting an IACC booth at a credit industry event or making connections between IACC and ACA members, Smith has always been a passionate collection industry supporter.

In 1995, when Steven Hoffenberg of Towers Financial Corp. was in the headlines for defrauding investors out of \$475 million in what the SEC called "one of the largest Ponzi schemes in history," the commercial collection industry received a wave of negative press. Smith and some IACC board members publicly advocated for the industry and were quoted in articles about the industry's ethics in *The Wall Street Journal* and *The Bureau of Business Practice*.

ACA Leadership Highlights

At ACA International, Smith has worn many hats. He joined the association's public affairs department in the 1980s, working to help members understand the new reality of the Fair Debt Collection Practices Act and planning ACA's Legislative Conference, which eventually evolved into the



Washington Insights Fly-In.

He has been a steady hand in the leadership of Collectors Insurance Agency, which offers cyber insurance, E&O insurance, bonding and licensing, among many other products, to ACA and IACC members.

Smith also leads the information technology team at ACA and has been an integral component of ACA's Affinity Program, which identifies and brings on service providers that have special offerings for ACA members.

Retirement Announcement Brings Well Wishes

"Ted Smith hired me in 1998 to serve as the communications specialist for IACC when he was the executive director. I had never worked for an association before. Honestly, I had no idea what associations were about! Under Ted's mentorship, I learned incredible lessons about how to care for members—how to really listen to their needs and to always make their positive experience with IACC the highest priority. While our roles have shifted over time, I have worked for and with Ted in some way or another for the last 25 years. I'm so appreciative of the guidance he provided when I was new in my career and of the supportive colleague he's been through the years."

-Jessica Hartmann, IACC executive director

continued on page 8



“I was very happy to have served on the IACC Board of Directors for many years while Ted was the executive director. As a new attendee, Ted always made me and my wife Mary feel welcome and accepted. Then I let Ted talk me into serving on the board, where I got to work with Ted and other leaders of the association. Ted was always prepared for every meeting, and he was the guiding light for all things IACC. In addition, he was also a hell of a golfer, and a lot of fun to be around.

In 2008, The Bessenbacher Co. was celebrating its 75th business anniversary and we had nice gathering of folks in town for a celebration dinner and remarks. Ted was invited and he attended in person, presenting a plaque to Jim Bessenbacher Sr. and myself on behalf of the IACC. It was a very kind gesture and a fun time. At the end of the celebration, I drove Ted and Tom Hamilton for a quick tour of downtown Kansas City. We ended up at a well-known KC bar on Broadway St. While we were sitting at the bar, Ted started complaining that he was in Kansas City but had yet to see any of the famous KC barbeque, and he would be flying out the next morning. As the night went on, and Ted continued to whine to the bartender, the bartender decided he had heard enough from the northerner, so he grabbed a package of

barbeque potato chips from the bar, and threw them at Ted, saying, ‘Fine, here’s your barbeque, now stop complaining.’ It was hilarious, and we were not charged for the chips. Happy retirement, Ted, and now go ice fishing and play golf!”

-Jim Bessenbacher Jr., president, BARR Credit Services

“We congratulate Ted Smith on his well-deserved retirement with both fondness and admiration. I first met Ted at a conference in Monterey, California, when IACC was first called ACCA. I had been invited to that ‘members only’ meeting as a speaker. Over the years and many conferences later, Ted became an integral part of the IACC community, serving for 20 years as executive director with unparalleled dedication and expertise.

During his tenure, Ted exemplified the qualities of an outstanding executive director. His leadership, professionalism, and unwavering commitment propelled the organization forward to what it is today, earning him the utmost respect and admiration from colleagues and members alike. As an IACC board member (2006 to 2022), I had the privilege of witnessing firsthand Ted’s exceptional talents and passion for advancing the mission of IACC by acting as a statesman, bringing all sides

together for the organization’s good. In my experience serving on various boards, Ted stood out as the ‘best of the best,’ consistently going above and beyond to ensure the success and prosperity of our association. For example, Ted traveled to Kansas City to help an IACC member, The Bessenbacher Co., celebrate its most significant anniversary.

Beyond his professional accomplishments, Ted’s warmth, kindness and genuine friendship have left a lasting impact on all who have had the pleasure of working with him. The IACC has always been known for its camaraderie and welcoming nature. That started under the leadership of Ted Smith. He will be greatly missed, but we take comfort in knowing that his legacy will continue to inspire us for years to come.”

-Tom Hamilton, executive vice president, American Lawyers Company

Want to Reach Out?

We invite the community and our valued members to join us in celebrating Smith’s remarkable achievements and his enduring impact on the ARM industry. You can send your well wishes to Ted at tsmith@acainternational.org.



Ted Smith presents a plaque to Jim Bessenbacher Sr. and Jim Bessenbacher Jr. in celebration of their company’s 75th anniversary.

Top 10 Benefits of Bringing a Younger Team Member to IACC Events

Thoughts From the Emerging Leaders Committee

Joe Batie, Caine & Weiner

Rebecca Robitaille, Franklin & O'Brien

Michelle Lindsay, ABC-Amega



As 2024 recipients of the Robert P. Ingold IACC Emerging Leader Award, Rebecca Robitaille and Michelle Lindsay are honored to share their experiences with the hope that, as an association, we can continue to attract and retain young members.

Rebecca Robitaille shares:

When David Franklin encouraged me to attend my first-ever IACC conference, it was somewhat intimidating. Although I had worked with many of the co-attendees, it was another thing to be put into the same room as the owners and presidents of so many successful agencies and firms. However, being entrusted with the responsibility and receiving a warm welcome by the co-attendees made me feel valued and motivated to become more engaged, not only within the IACC but within the industry in general. On a personal level, creating relationships with our client contacts and especially with our international partners (many of whom I work with on a daily basis) has had a notable impact on our success and profit. I know that I can rely on them to give our clients their best efforts and they are always ready to share their knowledge and experience with me. For these reasons and many others, I am grateful to the IACC and its members for their positive influence on my career.

Michelle Lindsay shares:

Before attending the 2023 IACC Conference I had a difficult time envisioning a future of career advancements in the field of commercial collections. Having only met a small number of the attorneys I have been working with for nearly a decade in person, I did not fully understand the scope of the commercial collections network, and how close-knit of a community it is.

Returning to work after the conference, I had a much clearer view of the paths available for me to explore and a renewed passion to help my team succeed. I gained confidence in my networking skills and felt inspired to engage in the IACC committees. This engagement continues to strengthen my ties to the field of commercial collections and has helped me identify areas to focus on to improve my leadership skills. I can easily see a future for myself in this field, and I look forward to seeing where my career goes with the support of an amazing network of people.

Here are the top 10 benefits of bringing along someone new to the IACC Mid-Year Conference (and beyond):

Investing in the Future

1. Leadership Pipeline

Development: Foster the next generation of collection agency leaders, ensuring long-term stability and growth for your industry.

2. Fresh Perspectives & Ideas:

Younger leaders bring innovative thinking and new approaches to industry challenges, driving progress and adaptability.

3. Increased Engagement &

Retention: Invest in your future leaders, they'll feel valued and more likely to stay engaged with the association and the industry.

Boosting Performance

4. Cutting-Edge Knowledge &

Skills: Equip them with the latest industry trends, compliance updates, and best practices from leading experts.

5. Networking & Mentorship

Opportunities: Connect them with industry veterans, fostering valuable relationships and accelerating their development.

6. Collaboration & Problem-

Solving: Encourage cross-generational

continued on page 10

collaboration, leading to more effective solutions and knowledge sharing within companies.

Building a Stronger Association

7. Diversifying Your

Membership: Attract younger talent and increase the breadth of perspectives represented in your association.

8. Volunteer & Leadership

Recruitment: Expose future leaders to the association's work, leading to more engaged volunteers and future leaders.

9. Industry Advocacy & Public

Image: Showcase the future of the industry with a vibrant young generation, enhancing your public image and advocacy efforts.

10. Member Value Proposition: Demonstrate your commitment to future leaders, adding value to your membership for company owners.

By investing in younger and emerging leaders, we're not just securing the future of our respective firms, but also playing an integral role in the future of the entire commercial collection industry.

Announcing New Initiatives

The IACC Board of Directors is pleased to announce the following incentives:

- Offer scholarship opportunities to make attendance more accessible for younger leaders.
- Create dedicated sessions or networking events specifically for them.
- Highlight their contributions and successes during the conference to amplify their impact.

IACC and the Emerging Leaders Committee will be offering two full scholarships and two half-price scholarships to this year's Mid-Year Conference. Details will be in your inbox soon!



UNITED FIELD CHASE

Contact Your Customer Today, The United Way

National Field Services Provider Assisting Businesses in Making Informed Decisions

Services:

- Direct Contact Field Visits
- Collateral Condition Reports
- Repossession Vendor Compliance Inspections
- Commercial Inspection Services
- Equipment/Lease Inspections
- Merchant Site Inspections
- Experian Compliance Services
- Field Visits: Consumer Real Estate

info@unitedfieldchase.net

www.UnitedFieldChase.com

561-488-4950

New York Eliminates Certificates of Conformity

By Wanda Borges

New York will update its previously archaic statute with an amendment going into effect Jan. 1, 2024.

The requirement by New York courts to have a Certificate of Conformity to support a commercial debt collection case has been a bane of existence for many collection agencies, trade credit grantors and attorneys alike. For those who have never had the pleasure (or displeasure) of dealing with them, here is the explanation. New York's Civil Practice Law and Rules 2309(c) states:

Oaths and affirmations taken without the state. An oath or affirmation taken without the state shall be treated as if taken within the state if it is accompanied by such certificate or certificates as would be required to entitle a deed acknowledged without the state to be recorded within the state if such deed had been acknowledged before the officer who administered the oath or affirmation.

This is adapted from New York Real Property Law 299-a, which mandates that an oath or affirmation taken in a state outside of New York for use within New York must be accompanied by a certificate signed by an attorney stating that the oath or affirmation conforms with New York state or local law.

If I am Not in New York, Why Do I Care?

Here's the rub! Whenever a debt collection matter was to be commenced or continued in New York, no matter where the plaintiff/creditor was located,



that creditor had to either verify the complaint or sign an affidavit as to the facts of the case. If that affidavit was taken outside of New York state, the affidavit had to be notarized, *and then* an attorney in that sister state had to sign a certificate stating that the notarization was done in conformity with the laws of that state.

Well, not every creditor has an attorney readily available to sign such a certificate, and this has been a problem. Some New York attorneys have gotten into the habit of verifying the initial pleading/complaint for out-of-state creditors in order to avoid this requirement. Nevertheless, if a motion for judgment needs to be made at a future date, then an affidavit of the actual creditor has been required and that affidavit must have been accompanied by a Certificate of Conformity.

CPLR 2106 Amendment

The Memorandum in Support of the amendment stated that “the requirement that litigants and other court participants have documents notarized is unduly burdensome, and federal law removed such requirements for federal courts decades.” This amendment “will align New York with the over 20 states that follow federal practice. It will relieve unnecessary burdens on litigants, non-

party witness, county clerks, and courts.”

The amended CLPR 2106 now states: “The statement of any person, wherever made, subscribed, and affirmed by that person to be true under the penalties of perjury, may be used in an action in New York in lieu of and with the same force and effect as an affidavit. Such affirmation shall be in substantially the following form:

I affirm this ___ day of _____, _____, under the penalties of perjury under the laws of New York, which may include a fine or imprisonment, that the foregoing is true, and I understand that this document may be filed in an action or proceeding in a court of law.”

Effective for New and Existing Matters

The amendment specifically states that it is effective on Jan. 1, 2024, and that it shall apply to all actions commenced on or after that date as well as all actions pending on that date.

Therefore, creditors, collection agencies and law firms can now breathe a sigh of relief as New York updated its previously archaic statute.

By Wanda Borges, Borges & Associates, Syosset, N.Y.

Global Debt Ripple Effect: How Rising Delinquencies in the Middle East Could Impact the U.S. Economy

By Ayman Al Wadi

A looming debt crisis is mounting in the Middle East, particularly in countries like Egypt, Lebanon, Tunisia and Jordan. Here, I break down the various factors that have contributed to this crisis.

Geopolitical Tensions

The conflict between Ukraine and Russia prompted the Federal Reserve System to implement unprecedented measures, including raising interest rates for banks. These actions were taken to mitigate the inflationary effects stemming from the war and the soaring prices of energy and grains exported from both countries.

Fluctuations in Oil Prices

The fluctuations in oil prices prompted several major oil-producing countries to scale back unconditional financial support. This was done to encourage fiscal consolidation within the economic systems of certain countries in the same region.

Economic Diversification Challenges

In the Gulf region, countries such as the United Arab Emirates, Saudi Arabia, Qatar and others are diversifying their economies away from reliance on a single source of income. This shift involves investing significant funds into various industries and economic activities, which can present considerable challenges. Many are undertaking large-scale projects aimed at maximizing profitability, with some relying on debt programs to finance them.

*Ayman Al Wadi,
a group executive
chairman of AW
Holding Int'l
with 26+ years
of experience in
commercial debt
collection.*



Interconnectedness of the Global Economy

In recent years, the global economy has become more interconnected than ever before, with nations increasingly influencing each other's economic activities. This is primarily attributed to the movement of goods, capital investments and people across borders, which has had profound effects on global production, consumption and financial markets.

A decline in international trade has a negative impact on all of us. This translates to reduced demand for exported goods, resulting in decreased consumption of oil and gas to operate factories. Consequently, oil-producing countries experience a decline in income, potentially leading to reduced spending on projects they pursue. This, in turn, reduces opportunities for hiring service providers, employment chances, income, and may lead to difficulties in meeting debt installment deadlines and interest payments. Ultimately, this creates a cycle of reduced spending by people, perpetuating the same challenges over and over.

You may feel there isn't much of a link between your business interests in the U.S. and such delinquencies, but I would encourage you to think again.

The Potential Impact on the U.S.:

- **Increased Loan Defaults:** U.S. banks may experience increased defaults from borrowers in the Middle East, which could affect their profitability.

This situation may result in delays in receiving debt payments on time, prompting the need to reschedule payment dates, offer discounts for one-time full settlements, or lower interest rates to incentivize early repayment. These actions could lead to delays in profit sharing and other financial implications.

- **Market Volatility:** According to Statista, the Middle East accounts for 31.3% of global oil production. If volatility hits the market in the Middle East/North Africa region, this may lead to disruptions in oil production and exports that could cause a spike in oil prices, especially for American consumers. This would have a ripple effect on the U.S. economy. As discussed earlier, when people spend less, the economy wheel spins less, leading to higher inflation and slower business growth.
- **Disruptions in Supply Chains:** The Middle East plays a pivotal role in global supply chains. Delinquencies could disrupt the flow of goods and services, impacting U.S. companies' profits and income.

It's essential for collaborations between the Middle East and U.S. governments to always be in place for the benefit of everyone. Timely B2B debt collection is crucial for the health of businesses, economic growth, job creation, housing stability and overall prosperity.

IACC Emerging Leader Spotlight

Get to know Michelle Lindsay, legal team lead at ABC-Amega.

Where did you grow up?

I grew up in Orchard Park, New York, and graduated from Alfred State College in 2008 with a degree in architecture.

Who have been your strongest influences in your life?

My parents. Both were strong leaders in their careers and put 110% into their jobs, while also managing to parent three children and provide us with meaningful life experiences. They handled it with grace, and now I get to watch them enjoy a well-deserved retirement!

How would you describe yourself using 3 to 5 words?

Compassionate, Authentic, Curious

Do you have any hobbies or outside-of-work passions?

I love being creative and I enjoy exploring new ways of expressing creativity. My favorite hobbies are crocheting, drawing and painting.

What was your first job?

I worked as a sales associate at Famous Footwear.

How long have you been in the collection industry?

I've been in the industry for 11 years. I started in collections in 2013.

How did you end up in this industry?

I was working in retail at the time and was looking for my very first 9-5 office job. I worked for YRC Freight as a collector, and later as a team lead.

What is your current role in your company?

Legal Team Lead

Do you prefer to work alone or with a team?

I like a little bit of both. Working from home allows me to focus in a place away from distraction. In those moments where I need the quiet, it's a saving grace. I also enjoy the opportunities I have to engage with my team through messaging and Zoom calls. We're one team with one goal, and we do our best to support each other.



What do you enjoy most about the collection industry?

My favorite part of my job is problem solving and working to find the best solution for our clients. There are always problems to solve in collections, and every day brings a new learning opportunity.

What might someone be surprised to know about you?

I taught myself how to play the ukulele!

IACC's Certified Commercial Collector Program

For over 40 years, IACC has promoted excellence through the training and education of commercial collection professionals. IACC believes that collectors must be knowledgeable about a wide variety of issues for their agency to compete effectively in the challenging commercial collection industry. Whether you have new collectors to train or experienced collectors to motivate to higher levels of performance, the IACC Certified Commercial Collector (CCC) program is an affordable tool to help you reach these goals.

IACC is pleased to recognize the following member who has achieved their CCC recently:

- **Troy Wesley**, Commercial Collection Corp of NY

To begin the process of becoming an IACC Certified Commercial Collector, download the application on our website at www.commercialcollector.com/certification. Questions? Send us an [email at iacc@commercialcollector.com](mailto:iacc@commercialcollector.com).





IACC Directory Listing Upgrade

IACC's Member Directory online is a central place for creditors and other members to easily find IACC member agencies, attorneys, law lists and vendors in their area or by name. Would you like to stand out from the rest? Now is your chance! For the first time ever, you are able to purchase an upgraded directory listing. This can include your logo or a live link to your website, or both. Don't wait, sign up today and enhance that listing!!

Contact Information

Company/Firm _____ Member # (if known) _____
Contact Name _____
City _____
State _____ ZIP _____
Phone _____ Email _____
Website address (if purchasing live link enhancement) _____

Purchase Items

- ___ Live Link \$100
- ___ Logo** \$100
- ___ Both (live listing and logo) \$150

**Please note: Your logo graphic must be in a gif format and no larger than 223 X 176 and no smaller than 150 X 150. Orders will not be processed until the web address and/or logo are received.

Payment Instructions

Total: \$ _____

Note: Order forms will not be processed without payment. Order amount will be a one-time only fee.

- Payment enclosed (make check payable to IACC)
- Charge my credit card (choose one): Visa MasterCard American Express

Card # _____ Exp. Date _____
Print Name on Card _____
Authorized Signature _____

Return Form to IACC:

Mail: 3200 Courthouse Lane, Eagan, MN 55121

Send logo/link to IACC at iacc@commercialcollector.com with the subject line "Directory Upgrade Item."

IACC Shifts Conversation From LinkedIn to Listserv

IACC is always striving to make sure we are offering the best tools available to our members. For the last few years we have offered a few different LinkedIn groups for members to collaborate, network and ask questions. However, they have not been used to their fullest potential so we are making a few changes.

On March 1, 2024, we closed the IACC LinkedIn groups. We direct you to follow our one-and-only official LinkedIn page for all updates on the IACC, the industry, and member news.

[Visit our LinkedIn page here.](#)

For a more collaborative communication platform, we will now be offering an opt-in listserv: IACC Connect. For those unfamiliar with the concept of a listserv, by emailing your question or comment to a custom email address, the message will be distributed to the email box of anyone who has opted in to the group. This will allow for more convenient and expedient conversations for members to get answers to questions or discuss industry topics.



Once you have opted in, our team will send you an email inviting you to the listserv. Follow the instructions to save the designated email address in your contacts and set up whether you would like to receive every email in real time, daily digests, or abridged emails. Then you are good to go!

[Opt-in to IACC Connect here.](#)

We genuinely hope that these tools will allow you to maximize your connectivity with the IACC and its members. We want to do everything

we can to facilitate a collaborative and welcoming environment for everyone.

Pro Tip: If you are concerned about the number of emails this may add to your inbox, we recommend creating a rule that sends all of those emails to a designated folder so your main inbox is not inundated. Just remember to check that folder on a regular basis.

[How to set up a rule in Microsoft Outlook](#)

[How to set up a rule in Gmail](#)

[How to set up a rule in iCloud/Apple](#)



IS YOUR COMPANY NEWSWORTHY?

IACC loves to share news about our members!

- Have you hired a new executive?
- Opened a new call center?
- Become certified or won an award?
- Participated in a community fundraiser?

We'll help you tell the world—or at least the IACC world! Send news submissions to iacc@commercialcollector.com to let us know you'd like it to be published in the next issue!

Fortifying the Future: Navigating Cybersecurity and Compliance in Commercial Collections



In the dynamic world of commercial collections, efficient operations rely on robust cybersecurity and compliance. As your financial transactions and sensitive data make their way across digital networks, the landscape of potential threats grows, putting your business high on the radar of cyber adversaries. It's a reality of the digital age, but with the right strategy, it's one you can navigate with confidence. Today, more than ever, the transition from reactive defense to proactive cybersecurity and governance is not just advisable—it's imperative.

Navigating Cybersecurity

Navigating the cybersecurity currents in the commercial collection sector demands a strategic pivot from conventional security measures to a robust, proactive defense mechanism. This industry, marked by its handling of sensitive financial data, stands particularly exposed to cyber threats like ransomware—a form of malware that can encrypt a company's data, crippling operations and eroding client trust.

In 2023, 51% of financial service organizations were targeted by ransomware, highlighting the acute vulnerability and potential for severe financial repercussions in this sector. Traditional cybersecurity tactics, which primarily rely on perimeter defenses like firewalls and antivirus software, are increasingly inadequate in this fast-evolving digital arena.

Being proactive about your cybersecurity is key. This involves continuous monitoring and analysis of the cyber environment to identify and mitigate potential threats before they materialize. Think of it as having a smart security guard who's always on the

lookout, ready to spot and stop trouble before it even starts. It's complemented by the deployment of sophisticated threat intelligence and the adoption of a zero-trust security model, designed to not just anticipate but neutralize threats preemptively. Keeping up with top-notch IT practices is equally important; it's like making sure the foundation of your house is strong so everything else stays upright.

This holistic cybersecurity strategy extends beyond technological solutions, emphasizing the critical role of employee training and awareness programs. Educating staff on the nuances of cyber threats and safe practices forms a human firewall, significantly reducing the risk of security breaches from within. Such a comprehensive approach to cybersecurity, marrying proactive measures with a stringent adherence to IT standards, is akin to fortifying a digital fortress. It safeguards the essential lifelines of communication and data exchange with clients, ensuring that the commercial collection sector can navigate the turbulent waters of cyber threats without compromise.

Simplify Compliance: Virtual Compliance Officer

This evolution from traditional defenses to a proactive cybersecurity posture not only demands advanced technology but also a strategic approach to compliance and governance. That's where the [Virtual Compliance Officer service](#) (VCO) emerges as a critical ally.

The VCO service provides businesses with a clear roadmap to not only meet

but exceed regulatory requirements, leveraging TPx's expertise in both cybersecurity and regulatory compliance. The service encompasses regular gap assessments, continuous monitoring, and expert quarterly review to help you meet regulatory standards, all while minimizing the burden on internal resources. Organizations adopting proactive compliance strategies, as facilitated by the VCO, can reduce their regulatory compliance costs by up to 30%. This is crucial in a world where financial institutions have seen a 38% increase in cyberattacks and the average cost of a data breach in the financial sector has reached \$5.97 million.

Join Us for an In-depth Exploration

For commercial collectors, the journey toward proactive cybersecurity and governance is a strategic imperative that integrates cutting-edge technology, regulatory foresight, and a culture of cybersecurity awareness. It's about building a resilient infrastructure that can weather the storm of cyber threats with ease.

We invite you to delve deeper into these issues and discover how your company can elevate its cybersecurity and compliance posture. [Register for our upcoming webinar right here](#) to create a proactive, secure, and compliant future for your business.

By Jonathan Goldberger, senior vice president of security practice & strategic sales at TPx.



Your Personalized Payments Solution

Bridge Capital Partners is a payment processing company that specializes in servicing the Collections Industry.

- Accept electronic payments: Credit, Debit (Visa, MC, Disc, Amex, HSA/ Flex), and ACH
- Convenience Fee Model- Offset the cost of payments with the most compliant solution on the market
- Level 3 Interchange Optimization makes it cheaper to accept large payments from clients
- Integrations with all the major Collection Software's
- Multiple web payment options ranging from simple to sophisticated
- Industry Expertise- Bridge has serviced the ARM industry for 13+ years

IACC Promotion:

If you would like some more information on our services or a quote please contact Dan.

Dan Cadesky
Dan@bcpartners-llc.com
Cell: 416-587-2643

Upcoming IACC Events and Education

April 18

Collection Calls & Telephone Techniques Part 2

Online seminar; 11 a.m. CDT

May 6

**From Reactive to Proactive: Cybersecurity
and Governance (FREE)**

Online seminar; noon CDT

May 22

**2024 Skiptracing & Cybertracking
in the 21st Century**

Online seminar; 1 p.m. CDT



**Additional topics and dates will be added.
Please visit the IACC Events calendar for the
current events and details:**

www.commercialcollector.com/events.



2024 IACC Mid-Year Conference

July 19-21, 2024 • Hilton San Diego Bayfront

Directory of Associate Members

When forwarding accounts, please use IACC's Associate (attorney) members!

Remember to let the Associate member know you are forwarding to them because they are IACC members so they will see the value in their membership with IACC.

- To find complete contact information, please visit the Member Directory on the IACC website at www.commercialcollector.com and click on the directory button on the top right hand side of the home page.
- When forwarding to Associate Member law firms, we recommend that you designate IACC and a Law List in your forwarding letter and notify the Law List designated. These actions will ensure your account is covered by the Law List's bond and let the associate member know it is



coming from a fellow IACC member. The Law Lists that are members of IACC include:

- > **American Lawyers Quarterly**
www.alqlist.com
- > **The Columbia Law List**
www.columbialist.com
- > **The Forwarders List of Attorneys**
www.forwarderslist.com

- > **General Bar Law Directory**
www.generalbar.com
- > **Wright Holmes Law List**
www.collectioncenter.com

If you have any questions, please do not hesitate to contact the IACC staff at iacc@commercialcollector.com.

Save the Date for the **2025 IACC Annual Convention**

Jan. 22-24, 2025 • The Royal Sonesta San Juan, Puerto Rico

