

RME_x Release 5.4 Documentation

September 9, 2019

Quantrax is proud to announce RME_x Release 5.4 which will be a turning point for our industry. It consolidates 25 years of unique experience with “thinking software” and attempts to simplify and revolutionize the way we manage accounts receivable. The goal was not to offer many new features. What the industry needs is not quantity, it is quality! Our goal was to make it easier for you to meet today’s challenges with less effort and dependence on management and agents.



We are not burning and building. Everything you have created can stay. You can install RME_x 5.4 and do nothing new. As is our tradition, you will not be compelled to turn on any new features, or change any processes. Quantrax’s thinking and vision are a radical deviation from conventional wisdom. It was our opinion that the CFPB will soon drive major changes in the industry, and we and our clients needed to be prepared. We can not wait until the changes hit us. This is new and different technology with lots of moving parts. It will be too expensive for us to work with individual clients in a reactive mode. We have to work with all of you, now! We take great pride in “skating to where the puck is going to be, and not where it has been” (Wayne Gretzky), and this has always given you a readiness for any challenge you could face.

Let us summarize what Release 5.4 will do for you.

- Infrastructure and database changes prepare us for interesting and exciting changes in the future
- We have expanded the data extract feature to include the ability to create a file of the notes on your accounts
- For Canadian clients, we will correct a design flaw on the additional contacts screen that only supported 5-character zip codes
- We expect the new CFPB rules to include rules for e-mailing and texting consumers. These will probably include texting limits per day and for

different periods. The anticipated controls have been set up, but programming will be available in a future release

- We have expanded some of the features in the VOAPPS interface based on new data provided to us
- We have new options for automating the forwarding and recalling of higher volumes of accounts to agencies and attorneys
- There have been significant enhancements to our chatbots Alex and Dylan, over the last few months
- Hosted users will be able to add users (within their licensing limits) without contacting Quantrax
- We have made significant investments in the area of text messaging
- There are some changes to the System Controls that will give you new functionality and flexibility
- We are deploying disk space-management options across the hosted sites, to keep our costs down without inconveniencing our clients
- Hosted clients have new options that allow us to e-mail any report to individuals in your office
- We expect to invest in an SFTP product that will allow you to send out information securely, from your system, without the need for manually doing this on a PC. This will be offered to the hosting clients, but premise-based clients will need to license the product through us
- We are working on a second “Integrated dialer” with TCN. TCN is a major vendor in the North American market and will offer us additional flexibility with their hosted dialer
- This version delivers our Unified Communications Strategy, potentially *the most significant change this industry has seen for many years!*
- We have added 2-factor authentication to our product. This will allow secure access to your data for people outside your office (e.g. on-line clients), without the need for a VPN



The security changes (we have also invested in new firewalls at the hosted site) were unexpected but necessary in light of some recent and high-volume data breaches at collection companies. These are expensive options, and can be easily justified as being outside our standard development and software maintenance. Quantrax has always believed in funding support and enhancements through maintenance revenues. We have not increased prices, or charged "one-time fees" for a very long time - We can confidently say that we have the lowest and fairest maintenance charges in the industry considering the great value we offer. For 2020, we will be increasing our support fees and hosting charges by a small amount to comfortably allow us to continue to offer you the best technology in the industry.

Here are the details!

DATA EXTRACT

The following changes have been made.

- The data extract now allows you to pull notes into a .csv file in a manner similar to the way the data extract for payments works. There are two new options on the data extract sub menu :

Create or update data extract selection (Notes)

Run data extract process (Notes)

The first option is used to define the selection criteria. The fields you are looking for on the selections are :

Notes within days ___ to ___ (Days) OR dates _____ to _____
Type-All,User,System-AUS _

In the field selections, look for note information, note date, User ID and note time. They are located on different screens.

The "Run option" is similar to the account and payment data extracts.

- There is a change to the payment data extracts. The selection option for payment types is now "Paid agency/client-ACBXYZ". A, C and B mean paid agency, client and both respectively. X, Y and Z are similar, corresponding to A, C and B, but including balance adjustments too.

ADDITIONAL CONTACT INFORMATION

We have increased the zip code to 9 characters on additional contacts. If we have done custom new business loads for you, we will be modifying any programs that use these fields.

VOAPPS INTERFACE

The following changes have been made to the VOAPPS interface.

- VOAPPS action for contact/attempt
- New codes and use of overrides
- Added detailed descriptions and notes
- We have added additional result codes, making sure that the text description is more detailed and specific.

ACCOUNT FORWARDING

The following changes have been made in the area of forwarding to outside companies.

We have a new process that will manage data transfers between RMEx clients and their forwarding agencies. It was designed to handle forwarding for larger companies. File layouts are attached in Excel sheet which can be sent by RMEx clients to their forwarding agencies for their programming to be done. There will be a bi-directional flow of information between your company and the forwarded agency. By using standard file formats, we be eliminating the need for custom programming and special processes. All files are ~ (tilde) delimited.

The key options will be added to the Special Operations Menu:

Forwarding Agency Processing Menu :

- New business file to Forwarding Agency
- Payment file to Forwarding Agency.
- Recall/Close file to Forwarding Agency
- Payment File Processing from Forwarding Agency
- Update File Processing from Forwarding Agency
- System control mapping for close codes
- System control mapping for Status Codes

Changes to Nightly Processing and Smart code :

The system will track all the forwarded accounts closed or recalled during the day, and add them to a transaction file FWDCLSRPF with following fields.

- Company
- Case#

Close Date
Close/Recall Type
Primary Close Code
Secondary Close Code
User Closed
Date Added
Forwarding Agency#
Sent Date
Sent Time
Sent User

Option #1 - New business file to Forwarding Agency

This option will prompt the entry of a 6-digit forwarding agency number or blanks will create the files for all the forwarding agencies. The system will select all the open active accounts with forwarding agency specified and without the selected description code (The description code will indicate that the account was forwarded). This description code is set up on Page 4 of the System Parameters (file SCSYSOP Field name OPF34). Files will be created with the name of FBzzxxxxxx (zz= company, xxxxxx = forwarding agency code) in the data library. Please refer to the Excel file layout for more details. After the file is created the system will apply the selected description code to the accounts so they will not be selected again. It will update the forwarded date (field GFWDDT) and add a note to the account.

Option #2 - Payment file to Forwarding Agency

This will present an option to select a 6-digit forwarding agency number and payment date range. Forwarding agency field can be left blank if payment file needed for all the forwarding agencies. Date range is a required field. After a user enters the values and submits the option, we will select all the payment and adjustment transactions for the accounts with a forwarding agency and within the selected payment date range. Payment transactions with user id FRWDAGCY will be excluded as they were posted from incoming forwarding agency payment files. The system will create a file with the name of FPzzxxxxxx (zz=company and xxxxxx = forwarding agency code) in the data library. Please refer to the Excel file layout for more details.

Option #3 – Recall/Close file to Forwarding Agency

This will prompt for an option to select a 6-digit forwarding agency number or leave the field blank to create files for all the forwarding agencies. The system will select all the accounts from the forwarding agency close and return history

file where the sent date field is zero, and create a separate file for each forwarding agency. Files will be created with the name of FCzzxxxxxx (zz= company and xxxxxx = forwarding agency code) in the data library. Please refer to the Excel file layout for more details. After the file is created, the system will update the sent date, time and user, so same records do not get selected again when this option is run again.

Option #4 - Payment File Processing from Forwarding Agency

Incoming payment files from forwarding agency should be placed as FAPMTS in the data library. This option will copy the file FAPMTS and create a payment batch matching the RMEx account (Case#) and company code. All payments will be posted with the user ID FRWDAGCY. The forwarding agency will provide detail transactions at the balance type level using RMEx payment codes, balance codes and adjustment codes. Please refer to the Excel file layout for more details. You will need to provide the forwarded agency with a list of the RMEx payment codes, balance types and adjustment codes with detailed descriptions. This information will be used by the forwarded agency to program and send data to your system.

Option #5 - Update File Processing from Forwarding Agency

An incoming update file from a forwarding agency should be placed as FAUPDATE in the data library. This option will copy the file FAUPDATE and update the system by matching the RMEx account (Case#) and company code. Please refer to the Excel file layout for more details. You will need to provide your list of RMEx close codes and secondary closes along with detailed descriptions to the forwarding agency. This will be used to write programs to send you the required data.

All smart codes will be applied using UserID FRWDAGCY.

There will be two system control options created in RMEx for this file.

Close Codes and Smart codes mapping :

Clients can setup RMEx close codes (primary and secondary) and what smart codes should be applied when accounts are closed and returned from forwarding agencies. Our programs will use this mapping table and apply the smart codes as needed. You will use this mapping to control all the actions (closing the account, keeping the account open, sending accounts to another agency, adding description codes, notes, etc.) via smart codes based on the close code return information from client.

Status code and Smart codes mapping :

Clients can setup status codes and what smart codes should be applied when accounts are processed via the updates file. Our programs will use this mapping table and apply smart codes as needed. Following are sample status codes.

DC – Deceased
BK – Bankruptcy
FD – Fraud
CD – Consumer Disputes
AT – Attorney Representation
DM – Demographic update
CR – Close and return

Clients can add as many status codes as they want and set up the smart codes for each status code. You need to make sure a complete list is provided to your forwarding agencies for their programming to be done.

CHANGES TO OUR CHATBOTS

Alex (and our client services chat bot Dylan) continue to learn and develop. Enhancements are shared with active users and separate documentation is maintained. Some of the interesting things we have recently done are :



- Adding a “Quick Pay” option that allows a consumer to access a traditional “Web form” and quickly set up a payment. Alex will offer payment in full, a payment plan or a one-time payment. A “receipt” can be texted as soon as the payment is set up
- We want consumers authenticated and accessing their information as quickly as possible. It is for that reason that access is possible even without an account number. The phone bot is very smart, and is now able to authenticate a user with their first name only! How do we do that? If the caller’s number can be matched to a single account or linked group, using the home and cell phone and not any work numbers), and the first name supplied matches the first name on the account, we assume that we have correctly identified the consumer’s account!
- You can display a disclaimer and have the consumer confirm they have read it (on the web and text option for smart phones)

As it gets harder to contact consumers using outbound options, Alex offers you new ways offer self-service at times that are convenient to the consumer.

LICENSE MANAGEMENT FOR HOSTED USERS

For hosted users we will allow users to add and delete users within their license limits. Documentation will follow.

CHANGES TO TEXT MESSAGING

We believe that text messaging will play a key role in the future of collections. Our initial work on text messaging was several years ago. We have continued to invest in text messaging and believe that we now have *the most powerful suite of integrated features for text messaging in the industry.*

- Our initial goal was to use text messaging for customer service. This included payment receipts, payment arrangement reminders and notices for recurring credit card and check payments
- We have expanded these goals to now include collection-related text messages. There is an option to capture consent by adding a description code. A letter can be set up with the language and a few "merge codes" for a text message. You will use this information to generate a text message to the cell phone on the account detail screen or additional cell phones on the "Other phones" screen.

Text messaging is complex. Carriers are always watching out for "robocalls" and companies that can be labeled as scammers. Unfortunately, collection agencies are the perfect candidates. The text messaging industry uses short and long codes to deliver text messages. Long codes cost less to deliver, and you see a message from a 10-digit phone number. Short codes come from a 6-digit number and are ideal for mass text messaging. They are less likely to be blocked by carriers but usually come with a set up fee and a monthly charge. Long messages are usually limited by the number we can send out per day from a single number. These challenges must be managed to make sure we have the best chance of delivering a text message. It can also be difficult to obtain confirmation that a text message was actually delivered. We have worked on all of these challenges and are prepared to work with you when text messaging becomes more popular.

SYSTEM CONTROLS AND MANAGEMENT

We have added new features in the area of management and operations control.

- Fee codes - There is only one legal fee within a fee code. We have added code to support legal rates based on the placement amount ranges. The rates could be changed through a smart code

- Adjustment codes - There is a new option to bill a client a percentage of the payment amount

HOSTED CLIENTS AND REPORTING

We have invested in third party software to facilitate the e-mailing, management and automation of report archiving on the hosted platform. This is a powerful option that offers great flexibility as your requirements change.

THE UNIFIED COMMUNICATIONS STRATEGY

In this version of RMEEx, Quantrax leverages significant investments in automation, artificial intelligence and multiple contract strategies, to create a powerful and flexible multi-channel contact option that is easy to set up and maintain. It is a very important victory in a long competition of ideas driven by years of striving for superior levels of automation and machine-thinking. We call it our “Unified Communications” strategy.



The concept is simple. Today, there are many ways to contact a consumer :

- Traditional post-office mail
- Phone calls
- E-mail
- Text messaging
- Dropping messages into voice mail (E.g. VOAPPS)

RMEEx has options to do all of the above, sometimes using more than one method. For example, you can use a contact series, selected letters, smart code series and dialer campaigns to accommodate these different requirements. Moving from one communication channel to the other is possible, specially because a contact series supports letters and phone calls. Letters can generate e-mails and text messages too, so we are already able to do some of this. But there are gaps. What if you wanted to send 4 text messages, 5 days apart? A contact series has up to 8 sequences (steps). What if you wanted to have 16 steps, including the repeated steps? It could get complicated and difficult to manage. We solved that problem with the unified series.

The design for this exciting feature is simple and logical, but for many, it could be outside the box thinking because simple is not always easy!

- A consumer could have several linked accounts. We are now required to send an initial demand that references new placements, giving the consumer time to dispute the charges. Once this is done, many of you will send linked letters that reference all the linked accounts. Our new unified communications strategy *targets the consumer* and all of the accounts involved, and is designed to get to an RPC as quickly as possible
- How do you now contact your consumers? Compliance and potential lawsuits have been a concern with digital communications. Today, you primarily utilize letters and phone calls. In the future (and today, for the ambitious people), you could use cell phone message drops (VOAPPS), e-mail and text messages. How would you practically use these options?
- You would probably send the initial demand, and then, use e-mail, text messaging, cell phone voice messages and, as a last resort, phone calls. These options would assume you had permission to contact the consumer using their cell phone and that most consumers, given a choice, would not talk to a “collector”
- While conventional processes would send one letter and then follow up with a phone call or other option, you would probably send multiple text messages and e-mails, since these are digital communications. In an ideal world, you would also want to be able to systemically switch between every communication channel, repeating options like text messages and e-mails
- The current version of RMEx has options to use each of these communication channels. We have contact series, smart code series, e-mail options and text messaging as well as the ability to create a “VOAPPS campaign”. Using different strategies and shifting between different options while repeating certain steps, is difficult to set up and track. What if you could use a *single series* to send mail, make phone calls, send e-mails and text messages and drop cell phone voice messages?
- The new unified communications strategy builds on the successful contact series, which was initially designed as a series of letters and/or phone calls. Since you can send an e-mail instead of a traditional letter, you could use the same series for e-mails. In a recent update, we allowed a text message to be sent instead of a letter. This was set up from within the letter system controls with text and a few special “Merge Codes”. You had everything, but we wanted to make it even more practical with a simple underlying theme - Use this new series to try to get an RPC as quickly as possible, *by using all the potential communication channels*.

- The consumer would be targeted, not the individual accounts
- The initial demand letter could be sent using a traditional contact series, but after this is done, the account would “fall into” an existing unified series, or start a new series
- Think about your strategy. How do you want to set up a series of attempts to include traditional mail, phone calls, VOAPPS drops, e-mail and text messages? What is the interval between each step? Are some steps repeated at a certain frequency? For example, send a text message and send the same text message 5 days apart, two more times. Set up a series that has all of these options
- Now think about the exceptions. What if the consumer does not have an e-mail address or has not given you permission to send e-mails? What if you have no consent to use text messaging (a description code is set up within the testing system controls)? What happens if you have a step that has e-mail or text messaging but can not use it? We have options to skip that step OR have the system use a different unified series at the time of starting the initial unified series.
- Circumstances change. The consumer may be in a unified series that includes e-mail and text messaging. What happens if the consumer later says you can not use text messaging or e-mail? You need to change strategy. You can have the system stop the series or start a different series automatically!

You have heard about it. You have an idea of how it was designed and our objectives. Let take a more detailed look.

- Since the feature is a consumer-level option, it will be *maintained and run from the primary account*. It will not be started at the client level because with linked accounts, it is not practical to start a series each time new accounts are loaded. Linking will take place later and change everything. We will allow a unified series to be started by a smart code. See below.

RMEX QUANTRAX CORPORATION INC. Chat

EXIT

-->Go to page Smart Codes pg/9

P 1 Smart Code 001 Override Type (A,P,C,N,O) P

P 2 Description PROMISE TO PAY

P 3

P 4 MULTIPLE COSIGNER OPTIONS

P 5 Close code

P 6 Open closed cosigner (Y)

P 7 Disable phone (Y)

P 8 Stop/Start letters (Y,S)

P 9 Cosigner code (1,2,3,A)

If user has no access to account, allow access to smart code if account is presented in account processing (Y)

Code for custom program

Add SIF offer note (A,L) based on SIF percentage

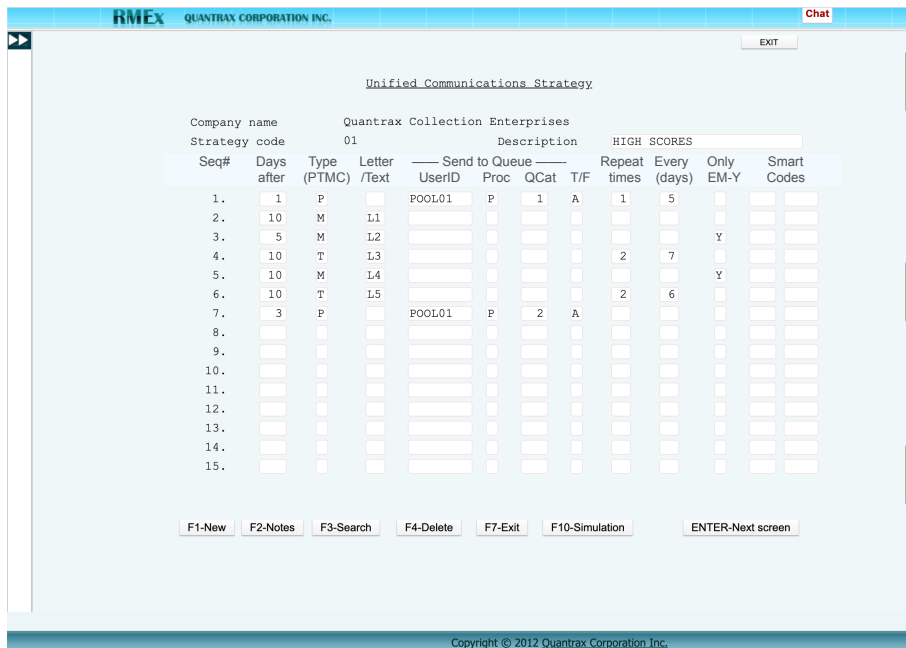
Start Unified Series Change Series to Stop/Restart (S,R)

F1-New Selection F3-Search F12-Update Page keys

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You can start a series, change to a new series or stop an existing series. When you say “Change series to”, the system will only take that action if the consumer is in a series and the new series is not the one you want to change the consumer to. If the account is already in the unified series you are trying to change to, nothing is done

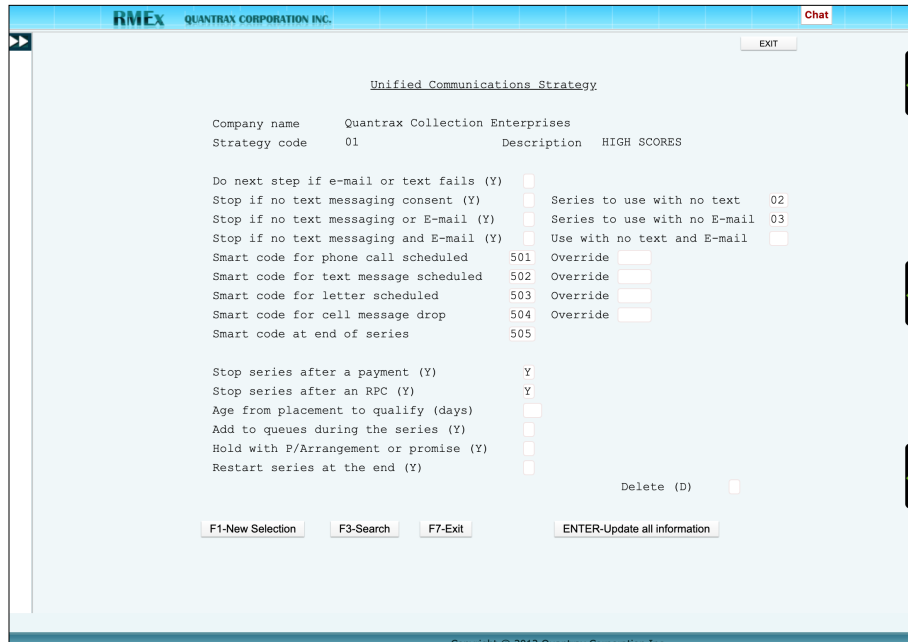
- Our vision was that you would start a contact series on new accounts, and at the end of that contact series, apply a smart code and use the “Change series to” option to place the account in a designated unified series. If the account was already in that series, nothing would happen. What if there are new accounts you do not wish to consider? There is an “Age from placement to qualify”. If all the accounts in the series are newer than the specified age, the system will wait *until at least one account qualifies*
- How do you access the system controls for the Unified Communications Strategy? There are two methods. You can access it from the contact series system controls by using F10 or you can use the new option on sub-menu on the Smart Code series options. Here is the key set up screen :



- There are 15 “sequences”, and 15 more on a second screen. Sequences can be repeated and a single sequence can handle many repeated actions a given number of days apart. This is ideal for e-mails and text messages, which will usually be repeated a few days apart. *The 30 sequences, and the repeat options give you practically unlimited flexibility to set up short or very long,*

inexpensive contact strategies.

- “Days after” refers to the days after the last sequence was completed. In the case where a sequence is repeated, the date it was last repeated is tracked, and the next sequence date will be computed based on the date of that last action
 - Type is P, T, M or C, and refers to phone call, text message, mail (traditional post office mail) or cell phone message drops (VOAPPS). E-mail is sent using the mail option, and controlled from within the system controls for letters
 - There is an option to specify a letter code
 - If the account is to be dialed or sent for a cell phone message drop, you would use the “Send to Queue” options to accomplish this
 - If the action on a sequence should be repeated, enter the number of times that is to happen *after the first time*. For example, if you want to send a text message, and then send that same message two more times, you would enter 2 for “Repeat times”. That would send the message out a *total of 3 times*
 - The field “Every (days)” is used to specify the interval between the repeated actions
 - If you want to send a letter but only want to send the e-mail version, you can use the “Only EM” option. Nothing is done if the e-mail version does not exist or you have no permission to send e-mail
 - You can apply a smart code (and override) each time the action on a specific sequence is performed
- There are additional options related to the unified series. There is an additional screen as shown below :



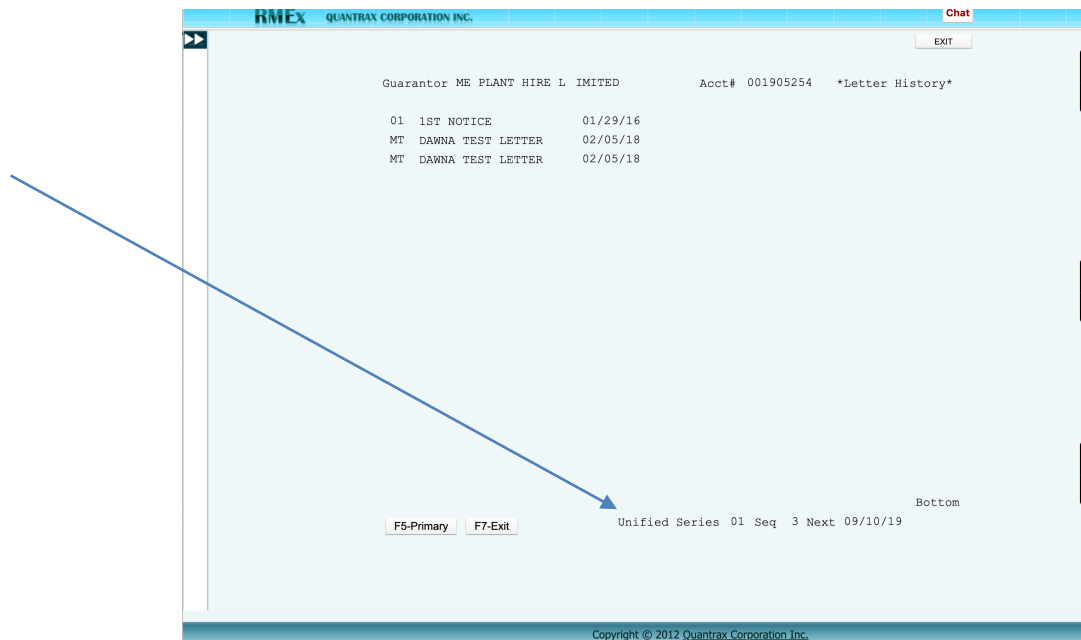
These options were designed to help you to document what has been done, think at every step along the way and to make adjustments as consumer behavior and circumstances changed.

- If a step can not be completed (e.g. e-mail or text messaging) because consent has not obtained or the e-mail content or text message was not set up), you can skip the action and wait until it is time for the next action, OR do the next step the next day
- If you set up a series that includes e-mail and/or text messages, what happens if you do not have an e-mail address or consent to send text messages? You can stop the series or start a different series
- Depending on the type of action at each sequence, you can apply smart codes each time the action is scheduled. This is another way of applying smart codes - you can also apply the smart codes that are set up on each sequence of the series
- You can stop the series after any payment on the linked group
- You can stop the series when there is an RPC
- A unified series is stopped by the system if all the accounts are closed. You can also specify that an open account must be a certain age (from placement) to qualify to be included for a unified series. If this option is set up and none of the accounts qualify based on the age parameter, the processing is delayed until at least one account qualifies in the future. This can be used to “hold” all actions if all the accounts in the series happen to be new placements
- As with a contact series, accounts are not queued while they are in a unified series. There is an option to specify that accounts should be included in account processing queues while in a unified series (Sequence 99 means the series is over)
- The process can be “held” if there is a payment arrangement or promise. It is recommended that this option is always selected
- There is an option to restart the series at the end. This allows you indefinitely continue your communication with the consumer for as long as there are open accounts

How do you check the unified series, sequence and next sequence date? This information is on the Letter History screen (from within the notes screens).

The new options allow you to implement practical and effective communication strategies with different types of consumers and for different types of accounts. It is a user-friendly option that mimics familiar billing systems like credit cards. As with some of at the most powerful areas of our system, there is a great deal of technology involved, but we have tried to make it as easy as possible for our users to set up and utilize these features.

Unfortunately, there is analysis, a technology process and logical planning that some of our users may find difficult. We have many powerful features that must



be considered, in order to take advantage of the best that this technology has to offer. For example, how do you set up mail, e-mail and text messages? Do you use a single letter code or different letter codes? What about phone calls? How do you make sure all the potential phone numbers are attempted evenly with each attempt being made at a different time in the day? How do you call each phone number compliantly - For example, calling cell phones in preview, while land lines are dialed predictively? How about using chatbots on outbound calls? How do you manage traditional queues in light of these new options? We have tremendous experience with product knowledge and domain experience. The Quantrax team is available to help you understand and set up these options. We will schedule educational programs and offer consulting services to interested clients.

Contacting consumers using outbound campaigns is likely to become more challenging as carriers actively advertise and help consumers to block phone calls. *The logical shift is to push the paying consumer to self-service.* This means you have to take full advantage of our powerful chatbots. We have the technology to use talking chatbots on both inbound and outbound conversations. This is another important piece of a rapidly-changing collection landscape.

Quantrax's stated long-term goal has always been for large volumes of accounts to be worked and managed by machines. This is another important step on that journey, a step that leverages modern communication and technology.

SECURITY ENHANCEMENTS

We have recently seen some very visible data breaches in the collection industry, highlighting the importance of data security. On our hosted platform, access was controlled and managed by the requirement of a VPN. We have understood the challenges and inconveniences of setting up and maintaining a VPN. This has been overcome by our development of 2 Factor Authentication.

Two-factor authentication (also known as 2FA) is a method of confirming users' claimed identities by using a combination of two different factors: 1) something they know and 2) something they have. In this case, their UserID and password is what they know. A code that is sent to their phone is something only they have. We will allow you to set up special users who do not have a VPN, but can access the system securely. A cell phone number will need to be entered into their system security profile. After they sign into the IBM i, the system will text a code to their cell phone. If they text back the correct code, they will have access to your data.

As stated in the overview, these are expensive options to develop and maintain. Our efforts and results have gone beyond what could be expected as traditional development. Some of these costs will be passed on to our users and be reflected in higher hosting, maintenance or software use charges.

BACKING UP OF SECURITY INFORMATION

We always expected our clients to take backups of their entire system from time to time (a "System save"). We have learned that this is not happening. In the event of a serious hardware failure there is information other than your data that will be required for a complete recovery. If your data has not been backed up for a few days, you are warned. We have added a similar warning for your security data. You will be advised to contact us if the required data has not been backed



“Skate to where the puck is going, not where it has been.”
- Wayne Gretzky -

up for a while. You can solve this problem by adding a library to your list of libraries to be backed up at night.

Go to the Utilities Menu, and then the second utilities menu. Select the option "Backup device and library options". Check and add the library ISYS to your list of libraries to be backed up. The message should disappear the next day.

Welcome to RMEEx Release 5.4!

QUANTRAX CORPORATION