



Collecting Bad Debts Can Be Money in Your Pocket

You can collect on worthless checks and bad debts on your own (without a collection attorney) using NDF's new Chapter 61 collection forms.

NDF collection forms are available in two formats, paper forms and electronic forms. Either way, you save time and money by filing your own collection actions.

There are a number of ways to go about collecting bad debts:

1. Worthless Check collection

There are two ways to collect on worthless checks--

- First, you may complete the Demand for Payment of Worthless Check and send the original notice to the writer of the check by first class mail. Attach the original worthless check to the "Evidence Copy" of the notice. If you have not received payment for the amount of the check, plus service charges and interest, within fourteen (14) days, you proceed to file a Small Claims suit for either \$100 or triple the amount of the check, whichever is greater.
- The second way you can collect on worthless checks is to complete the Seven Day Worthless Check Notice, and send the original notice to the writer of the check by restricted delivery certified mail, return receipt requested, showing address of where delivered, deliver to addressee only. Attach the original worthless check and the return receipt (or the undeliverable letter) to the "Evidence Copy" of the Notice. If you have not received payment for the amount of the check, plus the service charge within seven (7) days you submit your evidence to the County Prosecutor or County Attorney for criminal prosecution.

<small>Form NDF-14 - Worthless Check Demand for Payment (1/14)</small>		<small>Do not write in this space</small>
From: (Name and Address of holder of check) Widgets R Us 4930 Industrial Highway Maple Grove, KS 19763		
To: (Name and Address of maker or drawer — writer of check, as appearing on check or last known address) Mary Jones, d/b/a Mary's 5 & 10 456 Main Street Maple Grove, KS 19763		
		No. 01-C-0923
DEMAND FOR PAYMENT OF WORTHLESS CHECK		
The Following Check Has Been Returned To Us Worthless And Has Not Been Paid:		
Check dated: 5-29-01	Check No. 9382	Amount of Check \$ 345.00
Payable to: Widgets R Us		Service Charge \$ 35.00
Signed: Mary Jones		Accrued Interest \$ 5.00
Drawn on: My State Bank		Total Now Due \$ 385.00
<small>Bank/Credit Union/Savings & Loan/Other Depository</small>		
You Must Make Full Payment By 7-18-01 (date) To Avoid Liability.		
We hereby demand that you pay the amount of the check within fourteen (14) days. If you do not do so, you may be held liable not only for the amount of the check but also for damages of the greater of \$100 or triple the amount of the check. If we must file suit against you to collect, judgment may also be entered against you for court costs, check service charges, the costs of restricted mail, and the costs of collection, including but not limited to attorney fees.		
Legal action will be taken if you do not comply with the terms of this letter by the date shown above and you may be held liable in total estimated amount of \$ 1,035.00		
<small>The above total includes the amount of the check, the greater of \$100 or triple the amount of the check, the accrued service charge, court costs, accrued interest, and costs of collection including attorney fees.</small>		
7-3-01		
<small>Date</small>		<small>Signature of holder of check or authorized agent</small>
<small>This communication is an attempt to collect a debt and any information obtained will be used for that purpose.</small>		

2. Small Claims

Small Claims can be used for check collection and most other claims for money due. If your claim is less than \$1800.00, not including interest, costs and any damages awarded, you can file a Small Claims action in your local District Court. Costs vary, but the state docket fee is \$26 for claims of \$500.00 or less, and \$46 for claims of \$500.01 to \$1800.00. Call your local District Court Clerk for exact amounts.

Our Small Claims Procedure set contains all the necessary documents for filing your Small Claims action with the Court:

Form K141A - Small Claims Petition

For Court use only

DISTRICT COURT OF BUFFALO **COUNTY, KANSAS**
Small Claims Procedure Pursuant to Chap. 61 of K.S.A.

Maple Grove Appliance Center, 517 N Main, Maple Grove, KS 19763
Plaintiff - name and address

vs.
David Dishonest, 5423 N 9th Ave, Maple Grove, KS 19763
Defendant - name and address

PETITION

Div. _____, No. 01-C-0000

To Plaintiff: — Set forth a short and plain statement of your claim below.

Plaintiff, after having read the separate notices and instructions to plaintiff, asserts the following claim against the above defendant(s):

 Defendant owes plaintiff \$600.00 for goods sold and delivered by plaintiff to defendant between April 30, 2001 and May 2, 2001.

 See the attached sheet for a listing of the Petitions that are in the "Drop-In" data base. You can also prepare additional petitions, for your own particular situation and add them to the data base.

Based on the claim stated above, plaintiff demands judgment against defendant(s) as follows: (check applicable provision)

Payment of \$ 500.00 plus interest, costs and any damages awarded under K.S.A. §60-2610

Recovery of the following described personal property, plus costs - estimated value of property \$ _____

The plaintiff, hereby declares under penalty of perjury under the laws of the State of Kansas that, to the best of plaintiff's knowledge and belief, the above claim asserted against the defendant(s) (including the estimate of value of any property sought to be recovered) is a just, true, and correct statement, exclusive of any valid claim or defense which defendant(s) may have.

Check this box if the plaintiff is an attorney or a corporation or entity that will appear by an attorney or former attorney or person qualified to be an attorney as defined by law.

Executed on July 27, 2001 _____
Signature of Plaintiff

This communication is an attempt to collect a debt and any information obtained will be used for that purpose.

Indicate this box to request personal or residence service of the summons and not return receipt service. You may make return receipt service yourself. Use appropriate return forms.

The trial on this matter is set for August 29, 2001 at 1:30 P M., at
801 S Main, Buffalo County Courthouse, Maple Grove, Kansas 19763
Place of hearing and address

One completed copy for the court - one for plaintiff

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- a) The first part is the Petition, on which you state your claim clearly and concisely.
- b) The second part is a Summons, which notifies the defendant what the claim is and when to be at Court.
- c) The third part is the defendant's claim form. Any information that must appear on all the forms is automatically transferred from the first form to all the others in the set, which makes things easy for you.

Take the completed form set, intact, and the filing fee, to the District Court Clerk. The Clerk will set a trial date.

At the trial you must present evidence to support your case, such as:

- documents,
- your own testimony
- witnesses to prove your case.

Under most circumstances, neither party is allowed to have an attorney present in the Court for a Small Claims proceeding.

At the trial, the court will enter a Journal

Entry of Judgment. If the judge finds in your favor, you can try to collect your judgment immediately if you have enough information. You should send the Judgment Debtor's Statement of Assets form to the debtor right away to get the information you will need. The Court will provide the form. See item 4 of this brochure for more collection information.

3. Limited Action

Limited Action claims—which arise out of a contract to provide goods, services or money, and which are not secured by a lien—can be for any amount, so they are especially appropriate for collecting larger sums of money. The state docket fee for filing Limited Action proceedings is \$26 for claims of less than \$500.00, \$46 for claims from \$500.01 - \$5,000.00, and \$76.00 for claims from \$5,000.01 - \$10,000. Check with your local District Court Clerk for the exact amount in your county.

The Limited Action forms are similar to the Small Claims. They consist of a Petition and Summons, and are used much the same way as the Small Claims forms. Both the Limited Action and Small Claims Procedures sets come with instructions, so you will know how to proceed with each step.

4. Garnishments

Now that you have your judgment, how do you make the debtor pay? You can file a Garnishment with the District Court. After filing, you send a copy of the garnishment to the debtor's bank or employer as shown on the Debtor's Statement of Assets form.

There are two types of garnishments--wage and non-wage. For non-wage garnishments (such as against a bank account) you can use our Chapter 60 Garnishment [note: these forms can also be used for non-wage garnishments on Chapter 61 judgments]. These garnishments are for 30 days at a time, but can be very effective when the claim is fairly small, and the debtor has plenty of assets to proceed against.

The 2000 Kansas legislature changed the garnishment laws under Chapter 61 (which covers Small Claims and Limited Actions) to provide for a continuous earnings garnishment. When you file the Chapter 61 Earnings Garnishment, it is sent to the debtor's employer. The employer withholds a certain amount from the debtor's wages each payday and sends the withholdings to you each month--until the entire judgment is paid off (unless the debtor quits, or is fired or laid off).

Form K201A - Chapter 61 Earnings Garnishment Request

DISTRICT COURT OF BUFFALO COUNTY, KANSAS

Joe Creditor Plaintiff

Vs. Jackie Robinson Defendant

Joe Creditor, db/a Sales R Us, PO Box 453, Maple Grove, KS 19763 Ph 555-444-444-4
Name, Address, Fax, Phone, E-mail of judgment creditor

John Q. Public, Attorney, PO Box 5436, Maple Grove, KS 19763, Ph 555-444-523:
Name, Address, Fax, Phone, E-mail of judgment creditor's attorney

Nonexempt garnishment proceeds shall be made payable to: judgment creditor; attorney No. 01-C-4232

REQUEST FOR EARNINGS GARNISHMENT

Vs: We do Widgets, PO Box 9876, Maple Grove, KS 19763,
Name, Address, Fax, Phone, and E-mail

Please issue garnishment on the earnings of: SS # Unknown, Amount of Judgment \$ 450.00

Jackie Robinson 9845 8th Ave Maple Grove, KS 19763
Name, Address, Fax, Phone, E-mail of judgment debtor

(A) Support order/Taxes - % to be withheld
(B) Other earnings garnishments (other than for support or taxes)

To the Clerk of the Court:
The judgment creditor requests that the Court issue an Order of Garnishment to attach earnings of the judgment debtor listed above in the amount of the judgment shown above.

SUPPORT ORDERS AND TAXES BELOW (if applicable)
If a support order applies, the employer will subtract required order for support and other prior liens from 50% of the disposable earnings of the employee and withhold the rest pending the further order of the court. (Check (1) below)
If a larger percentage applies and the person seeking the garnishment desires to garnish more than 50%, that person may request a greater percentage. (Check (2), (3), or (4) below, if applicable)
Check (5) and insert 100% in (A) above if this garnishment is for state taxes.

(1) 50% - All support orders except those listed below.
 (2) 55% - The employee also supports a spouse or dependent child not covered by the support order and payments are 12 weeks or more overdue.
 (3) 60% - The employee does not support a spouse or dependent child and payments are not 12 weeks overdue.
 (4) 65% - The employee does not support a spouse or dependent child and payments are 12 weeks or more overdue.
 (5) 100% - This garnishment is for state taxes.

Check box (1) above and show the percentage to be withheld when checking (1), (2), (3), (4) or (5).

I hold a good faith belief that the party to be served with the requested garnishment order has, or will have, assets of the debtor. Indicate this box to request personal or residence service of this garnishment and not return receipt service. You may make return receipt service yourself. Use appropriate return form.

Please direct this garnishment to the sheriff or process server of Buffalo County, Kansas.

Court address:
Buffalo County Courthouse
8th & Main
Maple Grove, KS 19763

Signature of party entitled to garnishment enforcement or attorney

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Completed Original for the Court - Copy for Judgment Creditor

Business owners: Please note that it is sometimes difficult for employers to calculate the allocation of available wages between multiple garnishments and income withholding orders. NDF Company has developed a software program that makes these calculations for you--quickly and accurately. If you have employees who have Income Withholding Orders and garnishments, our program can help you. For more information on this program, please ask for the Kansas Court Withholding Program brochure.

PAPER FORMS

The paper forms most often used in collection are:

- Small Claims Procedure Set [KS41-42-43]
- Limited Action Civil Procedure Set [KS51-52]
- Chapter 60 Garnishment (may be used for non-wage garnishment on Ch 61 judgments as well) [KS101]
- Chapter 61 Earnings Garnishment [KS201]
- Earnings Garnishment Notice of Exemption [KS102]
- Non-earnings Garnishment Notice of Exemption [KS103]
- Worthless Check 7 day Notice set (Criminal) [KS707]
- Worthless Check Demand for Payment set (Civil) [KS714]

Please see the enclosed price list for more information regarding prices for these forms.

ELECTRONIC FORMS

All the forms you need for filing claims and collecting debts are also available as electronic forms. In addition to the paper forms previously listed, the electronic forms program also includes forms for Contempt, Dismissal of Action, Proceedings in Aid, Release of Garnishment, Chapter 61 Non-wage Garnishment and Release of Judgment.

The electronic forms appear on screen exactly as they will be printed out, and are easy to complete by tabbing from one field to the next. All the forms in each set are linked; any information that is common to more than one document appears automatically in all of them. To save even more time, you can create templates—then, all you do is add the specifics of each case, print your forms and you are ready to go.

Electronic forms save you time and money

- You can check the accuracy on screen before printing
- Reduce mistake throwaways
- Only 1/3 as many sheets are needed when word processing because the information is condensed.
- Decrease storage space requirements: less paper in your files and you no longer have to store the paper forms
- Out of pocket expense is less than with paper forms
- Print only the parts you need, when you need them
- Routing instructions are on the bottom of each page, eliminates page confusion, saves time.
- Eliminate throwing out old forms and restocking when the law changes

For more information about our Electronic Forms software program, call and request a Chapter 61 Collection Electronic Legal Forms brochure.

NDF Company has provided legal forms for attorneys and district courts in Kansas for more than twenty-five years. Our paper forms and software are widely used throughout the State of Kansas and known for providing current and accurate handling of legal procedures. Our designer is an attorney who has studied the law extensively. Our programmer has over twenty years of experience in software development.

Order your forms or software today, and start collecting your bad debts!

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