



## USING THE NEW BAD TITLE SYSTEM PROPERLY

Due to changes in the state laws we have a new system for handling repossessions. From this point forward use the following guidelines for handling bad titles.

All titles you want to start a collection/repo on must be left as open pawn tickets. Do not foreclose them. When you begin a repossession process on a title add it to your bad title manager as a bad title but DO NOT enter a repo date.

Bad Title Details		Notes	Customer Notice	Repossession	Photos
Name (F/M/L)	John Q. Public	Pawn	108681	Item	241342
Address	123 Main Street	Desc	2000ford/mustang/2dr/yellow		
City / State / Zip	Pontotoc, MS 38863	Title #	423423423432		
SS#	111-22-3333	DOB	01/01/1965		
ID Type	STATE ISSUED DRIVER'S LICENSE	Vin #	2345923423		
ID#	123456789	License Plate	123ABC	TN	
Phone	(770) 961-9999	Bad Title ID#	971		
Employer	(111) 111-1111	Sample Employer	Loan	100.00	
Landlord	(222) 222-2222	Sample Landlord	Fees	22.00	
Reference	(333) 333-3333	Sample Reference 1	Past Due	145.20	
Reference	(444) 444-4444	Sample Reference 2	Bad Fee	0.00	
Made Date	07/31/2007	Notice	Expense		
Bad Date	06/17/2008	Last Payment	Total	267.20	
Cleared	//		Paid		
By			Balance	267.20	

Any expenses that you have to pay like a repo fee to your repo man have to be added on the bad title screen itself. Do not enter any expenses related to the collection of a bad title from the cash report. Go to the bad title manager then highlight the title in question and click the edit button - on this screen you will see a button for expenses. This is where you will add any expenses for this bad title collection.



On this same bad title editor you will see a menu tab at the top of the bad title window labeled reposession. Click this menu page to deal with a repo.



When the car being repossessed is **IN YOUR POSSESSION** then go to this repo menu and enter the date in repo date. Do not put a repo date in until you actually HAVE the car. This will then display the available date next to it. The available date is the date the customer has as a deadline to redeem the title from you. You **CANNOT** add any late fees or bad title fees once you have entered a repo date by law.

After the available date has arrived the title may be sold - not before. You have 60 days starting on the available date during which you **MUST** either redeem or sell the title.

You may accept payments on the bad title from the customer during this process that will be applied against them redeeming it if they

choose to redeem it. However they must understand that once it has been repossessed and is in your possession you will **HAVE** to sell it by law within 60 days after the available date. They must redeem it during that time or lose the title, they will not be able to reinstate it to a good pawn status by catching up fees. This is state law let them complain to the state if they don't like it.

## REDEEMING A REPOSSESSED CAR

Do not use the regular redeem function on the ticket screen to redeem a repossessed title.

To redeem a bad title the customer has to pay the original loan amount and any expenses. Late fees and bad title fees can be adjusted or forgiven by editing those amounts on the bad title's repo page prior to clicking the **REDEEM TITLE** button there. They will have to pay the amount shown as redeem total beside the **REDEEM TITLE** button. A standard redeem ticket will be generated for the amount of loan payback and fees. A statement for expense payback will also be printed for any expenses they owe against the title. These two amounts are what make up the redeem total displayed. Customers will wonder why their redeem ticket shows less than they are paying if you had expenses. Show them the additional title statement that prints showing the expense payback on it to explain the additional amount they may be paying.

## SELLING A REPOSSESSED CAR

Before you can sell a repo you must first decide how you will sell it and then send a notice to the original pledgor. If you plan on having a public auction on a specific date then you must mail the **PUBLIC SALE NOTICE** to the pledgor noting on the document when and where the auction will take place. This notice must be mailed long enough in advance so that the pledgor has an opportunity to attend the auction if they desire. If you want to sell the repo at the store and take bids for a period of time then you must mail the **PRIVATE SALE NOTICE** to the pledgor. On this notice you must note the date upon which the private sale will occur. This can be any number of days (less than 60) you like

after the available date during which you may take bids from the general public. When using this method you should also print the PUBLIC AUCTION SIGN and post it on the door and/or vehicle. When customers place bids you will PRINT BID SHEET and have them fill in the top and bottom half, keep one half and put it in the title folder. On the last day of the private auction period contact the highest bidder to come purchase the vehicle.

Do not use the foreclose and sale functions on the ticket screen to sell a repossessed title.

Within 60 days after the available date you must sell the title. On the bad title's repo screen you will see a button marked SELL TITLE. Before clicking this make sure you have filled in the buyer's name, the payment method, tax exempt (yes/no) checkbox and the sale price. You will notice an amount in the bottom corner labeled Max Sale Price. This amount is the maximum you may sell this title for - any amount larger than this entered in the sale price will require a refund to the customer for the extra amount. Once you have filled in these items click SELL TITLE. The computer will print a standard sales ticket and update the title by foreclosing it from pawn and selling it all in one step automatically.

Use the PHOTOS tab to add a photo of the car after it has been repossessed. You can see from the example below why it is important to always take a photo of the vehicle when you pawn the vehicle AND after it is repossessed.



## **Teletrack Bad Check / Bad Title Instructions**

We can now send bad checks and bad titles to teletrack so they will be reported to other teletrack customers. This will cause customers to be denied check and title loans at other stores so they will want to come and PAY YOU to clear their teletrack record.

### **Sending Teletrack Info About A Bad Check:**

Go to the bad check manager, highlight a bad check to send and click EDIT. On the edit screen you will see a button in the bottom right portion of the screen labelled EMAIL TELETRACK PACO. Click this button to send teletrack an email notifying them about this bad check. Before you do this, check the NOTES for this bad check and make sure it doesn't already show a note that a teletrack charge off (PACO) has been sent for this bad check. When you send this email it will add a note to the bad check notes showing you have emailed a charge off so you will be able to tell later.

As with all emails if you get an error sending the email it didn't work so make sure your internet is working and send it again.

You should send these charge offs for all new bad checks you enter on the day you put it in the bad check manager. There is no way through the computer to void one of these teletrack listings so if you have to delete a bad check because it was a mistake and you already filed it with teletrack you will need to call them at 1-800-729-6981 and have it cleared over the phone.

You will notice a button marked PRINT TELETRACK PACO - this is for customers who do not have an internet connection. It prints a form that can be faxed to teletrack to do the very same function. You will not need to use this if your store has an internet connection.

### **Sending Teletrack Info About A Bad Check That Has Been Paid Off:**

When a customer pays off a bad check you need to inform teletrack that it has been paid or it will continue to be listed on that customers teletrack record. To do this AFTER PAYING OFF THE CHECK, select cleared checks in the bad check manager then highlight the bad check you just paid off and click the EDIT button. Now look at the NOTES page and verify that you sent a charge off to teletrack about this bad check - if you didn't file a charge off then we dont want to send them a paid off notice.

If the bad check has been sent to teletrack then click the button labelled EMAIL TELETRACK RRF (recovery reporting) and it will send an email to teletrack noting that the bad debt was paid. IF you get an error sending the email then it didn't go through so make sure your internet is working and send it again.

You will notice a button marked PRINT TELETRACK RRF - this is for customers who do not have an internet connection. It prints a form that can be faxed to teletrack to do the very same function. You will not need to use this if your store has an internet connection.

### **Sending Teletrack Info About Bad Titles:**

You will use the exact same instructions for noting bad titles as described above for bad checks. The only difference is you will use the bad title manager and the buttons on the bad title editor are labelled EMAIL TELETRACK CHARGE OFF and EMAIL TELETRACK RECOVERY.

**Final Notes:**

It may take a few hours from the time you send these emails before they will appear on a customer's teletrack inquiry.

On the bad title and bad check manager you will see a button labelled TELETRACK BATCH. You can use this feature to send ALL OF YOUR BAD CHECKS OR TITLES AT THE SAME TIME. Which means you will only have to send charge off and recovery emails for any new bad checks or pay offs as they are entered. Be sure to only use this feature ONE TIME!!! It is intended to get all your charge-offs posted in one shot if you use it again you will be posting charge offs on all your bad customers twice.

On the bad title and bad check edit screens you will find a new button to VOID WRITE OFF. Since you will have customers showing up to clear bad checks or titles that have been written off you will need to void the write off on the bad check/title edit screen in order to resume taking payments.

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