

July 9, 2010

IMPORTANT LETTER TO PARTICIPANTS in Federal Payments LLC, USA CHECK COLLECTION SERVICE (formerly Federal Check Recovery)

Recently, the Minnesota Veterinary Medical Association has received information from the Iowa Veterinary Medical Association that alleges mishandling of payments for recovered checks by Federal Payments LLC. Federal Check Recovery was acquired by Federal Payments LLC approximately 2 years ago. This program is used in many states by other state VMAs. After discussions with the IVMA we have decided to suspend the MVMA relationship with Federal Payments LLC, USA. We intend to ask for an accounting of all MVMA members owed money and the amount owed. The MVMA recommends you reexamine your relationship with Federal Payments LLC.

If you would like to terminate your relationship with Federal Payments LLC, we recommend you do the following:

1. Send a formal termination letter to Federal Payments, LLC requesting immediate termination of check recovery procedures and return of any unrecovered checks within the Federal Payments, LLC system. You can address your letter to:

Federal Payments, LLC;
Attention: Gold Team Customer Service
8055 East Tufts Ave, Suite 700
Denver, CO 80237

2. Send a formal letter to your own bank directing them to immediately discontinue sending bad checks to Federal Payments, LLC and send the checks to your practice. We also recommend you confirm in person or by phone that the bank has complied with your request.

This program is used in many states by other state VMAs.

You may be contacted by a company called CheckMarc USA offering to provide check recovery services. The MVMA does not currently have a relationship with CheckMarc USA and we have limited information about this company.

Dr. Bill Chapman with Federal Payments is willing to answer any questions from those using their services by calling him at 573-442-9151.

Sincerely,

Dan Tjornehoj
Executive Director