



# Bank Adopts Convoke to Resume Legal Collections

## THE PROBLEM

Due to the regulatory risk, a major US credit issuer was forced to stop legal collections for nearly a decade. Legal collection is a complex endeavor that involves numerous procedures and requirements, which generate multiple artifacts that need to be properly controlled in order to evidence the process. Many other similar organizations in the industry were receiving numerous regulatory violations and consent orders with tens of millions of dollars in fines. Because of this, the issuer had decided to halt legal collections out of an abundance of caution. This naturally led to a reduction in recovery dollars. In order to resume legal collections and realize previous recovery gains, the issuer needed to find a way to effectively manage these risks to avoid future regulatory violations.

**\$100M**  
RECOVERY CHANNEL  
RESTARTED

## THE SOLUTION

By using Convoke's legal collection features, the issuer was able to resume litigation with confidence, knowing that their regulatory risk would be substantially minimized. Convoke provides a simple, standardized process for law firms to submit collection artifacts to the issuer – both documents and data. This gives the credit issuer visibility into the legal collections process that they had never achieved previously, ensuring that consumer harm is minimized and regulatory requirements are enforced.

## KEY CLIENT OUTCOMES

- Restarted a \$100 million per year recovery channel
- Provided immediate visibility into all collection actions
- Gave issuer the ability to audit all artifacts loaded by their vendors
- Increased vendor compliance through SLA reporting
- Ensured consumers were receiving fair treatment from collection law firms

LITIGATION  
RESUMED AFTER  
10YR HOLD



FULL VISIBILITY INTO  
COLLECTION  
ACTIONS



CONSUMER HARM  
MINIMIZED



ADVANCED  
SLA REPORTS



AT A GLANCE

## MEETING THE CHALLENGE

Legal collection is a complex recovery strategy with many regulatory pitfalls. Throughout the process, numerous collection actions occur, evidence is generated, and milestones are achieved. In recent years, several other issuers had been receiving regulatory violations and consent orders, as sufficient debt validation, meaningful attorney involvement, and other requirements were not occurring consistently. In light of this, one credit issuer had decided that the risks were simply too great, opting to cease recovery efforts through this channel for nearly a decade.

Although this inevitably led to a loss in recoveries, the organization concluded that the potential losses in fines and brand reputation would have been far greater. If legal collections were ever to resume, they would need a solution that would help them litigate effectively while remaining compliant.



**The transparency and controls provided by Convoke's platform allowed our customer to restart an essential component of their recovery strategy.**

## REVITALIZING LEGAL COLLECTIONS

By using Convoke as its central hub for legal collection artifacts, this issuer was able to resume litigation after a 10-year hiatus. During the recovery process, law firms now simply load all evidence of their collection actions to Convoke, both data and documents. Once they are in the central hub, the issuer can easily validate that their law firms are following their work standards and are meeting their compliance requirements. This increased visibility gives the issuer confidence that consumers are being treated fairly, so they can maintain and protect their brand reputation.

Convoke provides a wide-ranging set of tools to assist issuers and law firms in achieving these goals. Both parties can run SLA reports (configured to issuer requirements) that tell them by which date certain documents must be loaded. Any past-due documents are highlighted for quick remediation. Additionally, issuers can audit individual documents and data records to correct any errors. By using Convoke to restart their legal collections, the issuer was able to once again leverage a collection channel capable of producing \$100 million per year in recovery revenue. The results that Convoke's transparency provided were welcomed by all parties – issuers, consumers, and the regulatory community alike.

