



## **TFS eWAGE vs TRADITIONAL WAGE ORDERS**



Wage deductions have long been universally accepted as the gold standard of paying a Chapter 13 trustee. We agree. . . Well, we sort of agree.

At TFS, we are not good at accepting the status quo. When we examine a process, we look for inefficiencies and pain points and then craft solutions to improve the workflow for attorneys and trustees and the lives of debtors.

We've worked hard to build yet another payment option to combat the flaws and hassles the traditional methods provide. This feature comparison will illustrate why eWage is the future of employer generated chapter 13 payments.

# HEAD TO HEAD

## COMPARING EWAGE TO TRADITIONAL ORDERS

### 1. IMPLEMENTATION

**Traditional:** The process differs across the country. The responsible party can either be the attorney or the trustee and a standing order may exist or motion practice is required. But whoever the set up burden is placed upon, the responsible party needs to generate a court document and then serve it upon the debtor's employers. It has the look and feel of litigation.

**eWage:** We have streamlined the process and removed the tension attendant with court procedures by transitioning to a benign request to automatically bifurcate wages into a unique account. In minutes a direct deposit authorization form can be generated and faxed to human resources or payroll.

**ADVANTAGE: EWAGE BY TFS**

### 2. EMPLOYER EXPERIENCE

**Traditional:** Direct deposit is the norm for payroll departments because it removes the manual process of distributing live checks. But with a traditional wage order, the employer is obligated to complete tasks that deviate from this standard procedure. For example, employers must segregate a portion of the employees' wages and create a live check. Then they must create a corresponding voucher which contains the critical case information and mail the entire package to a faraway PO Box. Every pay cycle. The entire process is ripe for human error and delay.

**eWage:** Employee requests to divide his or her net pay check by directly depositing different sums into different accounts is common place in today's work place. eWage by TFS follows a preexisting procedure in most modern payroll departments.

**ADVANTAGE: EWAGE BY TFS**

### 3. TIMING

**Traditional:** Even when a portion of the net payroll is segregated to a live check and a separate voucher is created with legible case information, that's only the first step. That package needs to be mailed to a central lockbox operated by the trustee's bank. Given the state of the post office that process is bound to take 5 – 7 days at best.

**eWage:** With the electronic transfer of funds the two P's -- paper and the post office -- are taken out of the equation. Money rapidly moves from the payroll department to the debtor's unique eWage account and then to the trustee in a matter of hours. For example, if payroll is on Friday, TFS receives the money on Monday and the Trustee has it deposited to their account before they open their doors on Tuesday.

**ADVANTAGE: EWAGE BY TFS**

### 4. RISK

**Traditional:** There are multiple points of failure with traditional wage orders: 1) Recalcitrant or unsophisticated employers failing to implement the deduction or failing to include the critical case data, 2) the risk of loss in the US Postal system, and 3) the human error attendant with outdated lockbox technology.

**eWage:** Each unique account is associated with a case number and trustee. Once the money starts to flow the entire system is automated and results in a direct deposit and perfect data file. This technology will save debtors embarrassment, the employer hassle and the trusteeship time and money. Win, Win, Win.

**ADVANTAGE: EWAGE BY TFS**

### 5. ENHANCED REPRESENTATION

**Traditional:** When will the wage order kick in? Did the debtor leave their job? How can I stop a wage order when the case completes? Questions like these can't be answered.

**eWage:** Attorney can determine if wage order was enacted or if there are changes. With this information, they can counsel their client appropriately and confirm payments are made in accordance with the plan.

**ADVANTAGE:  
EWAGE BY TFS**

# FEATURE COMPARISON

## HOW TFS IS THE NEW GOLD STANDARD

### 6. TRANSPARENCY

**Traditional:** There exists an inescapable “dark period.” Once an order is served, all parties must wait with blinders on. Trustees do not know if money will flow to be disbursed, attorneys do not know how to advise their clients, and clients are at risk of missing a payment in the most critical first month. Lack of transparency harms the system.

**eWage:** TFS has built in reporting to alert the attorney and the debtor regarding funds flowing to the unique account. Attorneys can counsel clients to make a payment in an alternate fashion and follow up with payroll. Everyone wins if a payment is made in the first month and positive results occur when everyone has information.

**ADVANTAGE: EWAGE BY TFS**

### 7. ABILITY TO MODIFY

**Traditional:** Payment amounts change. Step plans, mortgage adjustments and modified plans are all par for the course in Chapter 13 plans. For traditional wage orders, this all means more paperwork, more hassles for the employer, more potential for errors, and potentially judicial involvement. Simply a difficult system.

**eWage:** Print a new Direct Deposit Authorization Form and hand it to HR. Adjusting a number shouldn't be a federal case.

**ADVANTAGE: EWAGE BY TFS**

### 8. ABILITY TO TERMINATE

**Traditional:** Across the country, completed, converted and discharged cases still have funds processed from employers to the trustee. Turning off this flow can take months, causes work for trusteeships, and delays final reports for the debtor. This process is harmful for the debtor and adds responsibility and commission-less work for the trusteeship. Lose-Lose.

**eWage:** TFS has built in multiple ways for a trustee or attorney to turn the faucet of funds off. We'll automatically stop if we detect the case is closed on the NDC, or a few clicks of a mouse by the attorney of record can replace the labor intensive process that previously took months.

**ADVANTAGE: EWAGE BY TFS**

### 9. PRIVACY PROTECTIONS

**Traditional:** Court ordered wage deductions turn a personal bankruptcy into a forced public disclosure. And the negative consequences tip the scales away from the positive aspects of direct payments.

**eWage:** Same result (the money does not touch the debtor's hands) better process. The Direct Deposit Authorization Form has the looks and feel of a savings account or Christmas Club. A discharge with dignity should be the goal.

**ADVANTAGE: EWAGE BY TFS**

### AND THE WINNER IS:

Whether it comes to implementing, modifying, or terminating a wage order, the risks involved, the tools attorneys have to represent their clients, the transparency of the process, the timing of payments, the employer experience or privacy protections -- eWage by TFS comes out ahead!

**WINNER:  
EWAGE BY TFS**

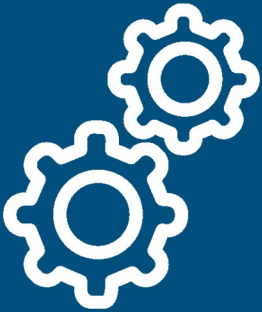
# How eWage by TFS Works



The goal of eWage is to mimic a common payroll procedure, add a little behind the scenes bankruptcy magic, and revolutionize employer generated payments.

Direct deposits start with an employee request and a voided check or completed form. Our engineers coopted the process, worked with our banking partners to create unique account numbers on demand and tied each account number to a Chapter 13 case number and trustee so plan payment deposits go smoothly.

Payroll departments easily add a second account, deposit the requested amount and the net goes to the debtors primary checking or savings account. Simple and anonymous.



**Step #1:** Directly from a TFS Attorney Portal the attorney (or paralegal) enters the client's information and instantly creates a unique account number that is ready to receive deposits.

**Step #2:** The attorney enters the Chapter 13 monthly plan payment and pay cycle. The TFS eWage system will automatically calculate the per pay period deduction.

**Step #3:** Authorizations can be collected in person or remotely via our integration with DocuSign.

**Step #4:** TFS independently verifies that the case is still active and links the case information and trustee to the account number.

**Step #5:** A Direct Deposit Authorization Form is generated for delivery to payroll.



**Safe and Secure:** Plan payments never touch the debtor's hands. Money is directly deposited into the eWage account which unbeknownst to the employer is immediately transferred to the trustee.

**Dependable:** Debtors do not have any control over the account

**Transparent:** If canceled or interrupted immediate notification is sent to the attorney and trustee.

**Improved Control:** When appropriate, accounts can be deactivated by the attorney and trustee which stops the flow of money to the trusteeship.

**Easy to accept:** eWage payments are transmitted in the same easy to import TFS daily deposit file.

**Fast:** Funds are transmitted to the trustee 24 hours after receipt from payroll

**Affordable:** \$1.99 transaction fee makes it one of the cheapest methods for making a plan payment.

## But Wait, There's More!

eWage provides the trustee's staff with better tools, attorneys a way to help their clients, and debtors with anonymity. All while keeping payments on track and consistent. Get started today.

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