

In Voice Newsletter

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CREDIT INDUSTRY REFORMS EXPOSING BUSINESSES TO MORE RISK



DEBT**FORCE** PARTNER WITH XERO ON LINE ACCOUNTING SYSTEMS



MEENA SINGH DEPARTS DEBT**FORCE**

CREDIT REPORTING

We are pleased to advise that we are able to conduct credit checks again for our clients. We have been able to negotiate access to several databases both private and public that we are having a great deal of success with.

These databases do not just provide credit information but also valuable general background information about the entity being enquired on which can assist the credit decision process.

The credit reporting offered complies with all requirements of the Credit Reporting Act

Australia & NZ Cross Border Civil Justice Law Passed

The Trans-Tasman proceedings bill has now been passed into law. This cements the agreement signed in July 2008 between governments of both countries which will see civil proceedings and court orders issued out of either country being able to be served or enforced without the previous expense of having to obtain an additional court order. The process will also extend to some criminal matters.



DEBT**FORCE** PARTNER WITH XERO ON - LINE ACCOUNTING

We are pleased to announce that DebtForce have secured a partnership with Xero on-line accounting systems.

This partnership will allow any Xero software user to forward debts direct on line to DebtForce. There will be no instruction forms to complete with the debt information going direct to a Recovery Officer for Immediate action without have to complete a debt instruction form. We are looking for users of Xero software to trial the final product and those that do will receive discounted collection services during the trial period.

If you are a Xero customer and would like to participate please email tabithah@debtforce.co.nz

Further exciting developments will be released to our non Xero client's early next year.

DEBTFORCE** LTD**

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MEENA SINGH LLB DEPARTS

The Law Society's Code of Practice which directs all members of the legal fraternity now prohibits a solicitor whom is retained as a corporate lawyer from providing legal advice to that company's clients. Should one do so the District Law society would take action against such an individual. As a result Meena cannot continue with her current role and is now having to depart the company which has been very disappointing and she will be missed by us all as she has become a valued member of the team. Meena departs from DebtForce mid September and we all wish her well in the future.

What happens about legal Now ?

DebtForce are not able to give legal advice and we are not alone, as all debt recovery companies in this situation are bound by those restrictions. As a result of this, clients will still be able to obtain direction for their debt files from us and we are making arrangements with our external law firm to enable legal proceedings to still be conducted with confidence. We are also looking to provide clients with the ability to draw up their own proceedings in the future which will provide considerable savings to those that would like to do this.

We will advise clients as we put these into place but in the meantime your Recovery Officer can keep you informed as required.

CREDIT INDUSTRY REFORMS ARE EXPOSING BUSINESS TO MORE RISK & COSTS

As many of you may be aware there are some significant changes happening that are likely to expose business not only to more risk but the changes are also removing remedies against debtors that have previously been available. Whether these changes are being rushed through so we are in line with Australian legislation is hard to say but there are some very busy government departments making life difficult for us all.

Firstly the removal of access to motor registration plates will take place in May 2010. From number plate information, field agents use the motor registration access extensively for information in assisting in the service of legal documents and locating other parties including confirmation that a person may actually be the person to be served. Once information is confirmed from the registry it provides good grounds for the agent to service the documents despite those denials.

Without this access to plate information the costs of these types of enquiries and services will take longer and increase costs of enforcement further.

The first part of the Credit Reporting Code will be introduced in April 2011. This code works along side the Privacy Act and has imposed very strict guidelines for anyone or business that provides credit information on individuals and every company that provides information is a potential credit information provider. This act is also under review and some proposed changes in this act will remove the ability for any overdue debt to be listed on Veda Advantage unless it is a 'credit account'. It is intended to simply change the current wording from 'account' to 'credit account' which sounds simple enough but what it will mean is that a debtor cannot be listed unless you have a signed credit application. The implications are very serious for other types of debt not under a formal application as no other type of overdue account may be listed no matter how it occurred. This includes items as simple as a dishonored cheques.

Veda Advantage is now required to view your credit application prior to being accepted as a Veda client to ensure your credit application meets the criteria required by Veda to comply with the act. As an example the application now has to advise the debtor that default on payment may mean they will be listed with Veda. unless the application meets those requirements you cannot exercise the listing with Veda as a remedy against debtors. This is a good time to review your credit application to ensure it complies when you next need to enforce your company policy in the debt recovery process.

The Securities Commission is also targeting our industry in regard to Anti Money Laundering and Counter Financing of Terrorism Act 2009. The purpose is to ensure that companies have in place a checking system to ensure monies passing through a company are for genuine purposes. It is really about identifying your client and ensuring transactions are genuine.

The government has just had a bill introduced called the 'Identity information Bill' which will allow authorized parties to access government records through what will be known as a Data Validation Service to confirm that the person providing identification is that person. It will provide authorised persons to access data currently held by the Department of Internal Affairs citizenship registers, the passports database, and the various registers of the Births, Deaths, and Marriages registry office.



A Businessman an accountant and a lawyer were asked "how much is 2 +2?"

The Businessman replied straight away "Four!"

The Accountant says 'it's either 3 or 4 let me run it through the spreadsheet once more.'

The Lawyer stands up, pulls the curtains closed and turns down the light and says in a hushed voice "How much would you like it to be"

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