



Debtor Management

P O Box 98724 Manukau City, Auckland, 2241 New Zealand. Ph 09 2520191 Fax 09 2501262

AGENCY AGREEMENT

Client Account No: _____

BETWEEN _____ ("THE CLIENT")

TRADING AS: _____ TELEPHONE: () _____

TRADING ADDRESS: _____

MAIL ADDRESS: _____ FACSIMILE: () _____

BUSINESS TYPE: (circle) Company Partnership Sole Trader Individual Trust Other _____

BUSINESS CATEGORY: _____ BUSINESS CODE _____

REGISTERED OFFICE: _____

1 CONTACT: _____ PH & EXT: _____

2 CONTACT: _____ PH & EXT: _____

ACCOUNTS PAYABLE: _____ PH & EXT: _____

EMAIL ADDRESS: _____

AND DEBT FORCE LIMITED ('DebtForce') and its successors and assigns,

TERMS OF AGREEMENT

DEFINITIONS

In this agreement, unless the context otherwise requires, the following definitions shall apply:

"Commissionable Sum" means any amount received by any of the methods specified in paragraphs (a), (b) or (c) of the definition of "settlement" below by way of reduction, payment in full, or settlement of a debt.

"Outstanding Balance" in relation to any debt means the total amount of the debt (including interest accrued) at the date at which the debt is passed to DEBTFORCE by the Client pursuant to this agreement, or such lesser sum as remains outstanding where the debt has been reduced by any of the methods specified in paragraphs (a), (b) or (c) in the definition of "settlement" below, or such greater sum following addition of interest or costs.

"Settlement" means the aggregate of:

- (a) Any payment made by the debtor or any other party by any means in settlement or reduction of a debt
(b) Where the Client agrees to credit the debtor for any amount in settlement or reduction of a debt, the total amount of that credit.
(c) Where the Client and the debtor or any other party agree to a settlement or reduction by way of a contra agreement, the amount of that contra.

APPOINTMENT OF DEBT FORCE

1.1 The Client appoints DEBTFORCE to act as its duly authorised agent in accordance with the terms and conditions set out below and DEBTFORCE accepts the appointment.

DEBT FORCE'S PERFORMANCE

- 2.1 DEBTFORCE will act upon instructions from the Client to provide debt recovery and associated services and to provide credit information (subject always to the provisions of the Privacy Act 1993).
2.2 DEBTFORCE may instruct such persons or agents as it deems necessary or appropriate (including solicitors) to assist in the recovery and securing of debts and the provision of credit information. DEBTFORCE shall not agree to compromise, secure, or settle any debt for less than the outstanding balance in relation to that debt without the Client's authority, provided however that where circumstances in DEBTFORCE's view necessitate immediate acceptance of an offer to compromise, secure or settle a debt, DEBTFORCE may at its discretion accept a compromise, security or settlement which it considers to be reasonable in all the circumstances.
2.3 All monies collected on behalf of the Client shall be held in DEBTFORCE's Trust Account or the Trust Account of DEBTFORCE's solicitor, and DEBTFORCE will account to the Client on a twice monthly basis including any legally recoverable non-commissionable costs awarded and paid to DEBTFORCE. DEBTFORCE may deduct from such funds any monies owed by the Client to DEBTFORCE prior to forwarding the funds to the Client.
2.4 DEBTFORCE shall be entitled to contact any debtor direct at any time (even after the Client has withdrawn instructions from DEBTFORCE or this agreement has been terminated) where DEBTFORCE believes that such contact is legally or reasonably required in the circumstances.
2.5 If the Client withdraws any file or instruction from DEBTFORCE, or cancels this agreement or otherwise requests any file or all files to be returned to it;

- (a) DEBTFORCE shall be entitled to hold all files of the Client until receiving payment in full of all amounts owing by the Client to DEBTFORCE; and
(b) DEBTFORCE shall be entitled to charge the Client on each file or debt a Withdrawal Fee of up to 3% of the outstanding balance which on DebtAction files shall be in addition to the DebtAction close file fee \$45.00 per file specified in clause 11 of this agreement.

2.6 DEBTFORCE reserves the right to cease action on any file at any time.

CLIENTS PERFORMANCE AND FEES/COMMISSION

- 3.2 The Client will give DEBTFORCE written instructions in respect of any debt to be collected, provided that DEBTFORCE, in its discretion, may accept verbal instructions from the Client, in which case the Client will confirm such instructions in writing at the earliest opportunity. The Client's written instructions, subject to DEBTFORCE's agreement in each case, may include electronic data transfer from the Client to DEBTFORCE. In all other cases the Client will use the instruction forms supplied by DEBTFORCE. Such forms and any other materials supplied by DEBTFORCE will remain the property of DEBTFORCE and the Client shall return them to DEBTFORCE if requested by DEBTFORCE.
3.3 The Client will pay DEBTFORCE commission on any commissionable sum,
3.4 DEBTFORCE shall have the right on 14 days' written notice to the Client, to alter the commission rates charged by DEBTFORCE to the Client.
3.5 DEBTFORCE shall have the right at any time, without notice to the Client, to change the rates of its fees or charges in relation to any work or type of work.
3.6 Where the Client agrees to accept payment from a debtor or debtors over time or by instalments DEBTFORCE and the Client may negotiate a discounted commission rate or fee to be paid in lieu of commission on future instalments of payments.
3.7 The Client will pay all DEBTFORCE invoices within 7 days of the date of invoice, unless alternative payment terms have been mutually agreed and recorded in writing.
3.8 Interest at the rate of 3% per month compounding monthly shall be payable by the Client on any amount overdue by the Client to DEBTFORCE.
3.9 The Client shall be liable to DEBTFORCE for all its costs incurred by DEBTFORCE in collecting or attempting to collect overdue amounts from the Client, including but not limited to debt collection fees and legal costs on a solicitor-client basis.
3.10 If any payment in settlement or reduction of a debt is made direct to the Client by a debtor or any other party, the Client shall immediately notify DEBTFORCE and as required under The Privacy Act 1993.
3.11 Where the Client has online access to DEBTFORCE's DebtAction system the Client accepts total liability and responsibility for all letters and actions generated in the name of DEBTFORCE and acknowledges that the indemnities in clauses 5.1 and 5.2 below extend to and cover all acts and procedures undertaken in DEBTFORCE's name by the Client pursuant to its operation online of DEBTFORCE's DebtAction system or as a result of information downloaded by the Client.

DEBT INFORMATION

- 4.1 The Client shall provide DEBTFORCE with all relevant information, materials and documentation concerning any debt and parties responsible for that debt.
4.2 The Client shall keep up to date all information relating to debts being recovered or secured or credit information being obtained, and shall inform DEBTFORCE forthwith of any changes to information, materials or documentation coming to the Client's attention at any time.

- 4.3 DEBTFORCE shall not be liable to the Client for any loss, damage, liability, costs or claim whatsoever arising in connection with this agreement or in connection with any information, materials or documentation supplied to DEBTFORCE by the Client.
- 4.4 Where an interest factor is claimed with the debt instruction it is the clients responsibility to provide DEBTFORCE with the complete interest calculated amount in that instruction and DEBTFORCE shall not be liable for any variation in the calculation.

INDEMNITY

- 5.1 The Client agrees to indemnify DEBTFORCE against all actions, liabilities, charges, demands, expenses, losses, damage, claims or costs incurred by DEBTFORCE arising out of any act or omission of DEBTFORCE or any such claim arising out of the contents of any information supplied by or to the Client.
- 5.2 The Client agrees to indemnify DEBTFORCE against, and is liable to DEBTFORCE for, any liability, loss, damage, expense or costs arising from the breach or non-observance by the Client of any term or condition of this agreement.

CREDIT INFORMATION

- 6.1 The Client will use any information supplied to it by DEBTFORCE as an aid only in determining whether to extend credit to any person, corporation or organisation and generally as an aid to the Client's business and for no other purpose. Subject to the provisions of the Privacy Act 1993 the Client will hold such information in strict confidence and shall not disclose it to the subject persons, corporations or organisations or to any other person, corporation or organisation. DEBTFORCE does not in any case warrant the correctness of any information supplied by it to the Client and shall not be liable to the Client in any way arising from the supply of any information to the Client.

PRIVACY ACT 1993

- 7.1 Prior to instructing DEBTFORCE in relation to an individual, the Client shall obtain authority from that individual to obtain credit information about that individual and shall obtain from that individual the further authority for the Client to instruct and appoint DEBTFORCE as agent of the Client for the purposes of an information privacy request made under clause (1)(b) of Principle 6 of the Privacy Act 1993 pursuant to Section 45 of that Act. The Client for itself and as agent for the individual concerned further authorises DEBTFORCE to disclose to any third party any information gathered concerning such individual pursuant to Principle 11 of the Privacy Act 1993.
- 7.2 Unless the Client otherwise advises DEBTFORCE in writing at the time of the request, the fact of requesting DEBTFORCE to obtain credit information about an individual shall constitute confirmation and certification by the Client to DEBTFORCE that the Client has obtained the requisite authorities from that individual in accordance with clause 7.1 above.
- 7.3 The fact of supply to DEBTFORCE of any information, materials or documentation shall constitute confirmation and certification by the Client to DEBTFORCE that the information, materials or documentation have been properly obtained by the Client in compliance with the Privacy Act 1993 and any relevant code of practice issued under the Privacy Act 1993. The Client hereby irrevocably authorises any person, corporation or organisation to provide DEBTFORCE with such information as DEBTFORCE may require in response to the Client's credit related and/or employment enquiries. The Client further irrevocably authorises DEBTFORCE to furnish to any third party details of such credit and/or employment enquiries and any subsequent dealings that the Client may have with DEBTFORCE.

The Client further authorises DEBTFORCE to contact it in relation to any other matter that might arise in the future.

INITIAL: []

AUTHORITY BY CLIENT FOR CREDIT CHECKS

- 8.1 The Client, whether individual or corporate, hereby authorises DEBTFORCE and its subsidiaries and agents to undertake a credit check or checks at any time by any means whatsoever on the Client.

INITIAL: []

TERMINATION

- 9.1 This agreement may be terminated by 30 days prior written notice by either party to the other party.

ACKNOWLEDGEMENT OF TERMS

- 10.1 The Client acknowledges that the Client has read and understood the terms of this agreement set out above, and in particular clause 3.10 (payment terms), clauses 7.1 to 7.3 (Privacy Act, and clause 8.1 (authority to conduct credit checks).

INITIAL: []

SERVICES, COMMISSIONS AND FEES

- 11.1 All invoiced charges are plus Goods and Services Tax

DEBT ACTION COMMISSION RATES & CLOSE FILE FEE

All commission rates are charged on the original debt amount submitted. Commission is only charged on the amount collected or settled

Costs & Disbursements are additional, (see section 3.6 of this agreement)

Commission

Commission Rates

Debts from \$0	to \$ 2,000	18%
Debts from \$2001	to \$ 5,000	15%
Debts from \$5001	to \$10,000	12%
Debts from \$10,001	to \$20,000	10%

Larger debt amounts may be negotiable.

Closed File Fee (CFF)

A Closed file fee of **\$45.00** shall apply to all DebtAction files closed **unless** commission exceeds **\$45.00** then the closed file fee is not charged.

EXECUTION

Signed for and on behalf of the Client by:

SIGNATURE: _____

NAME: _____

DESIGNATION: _____

DATE: _____

Signed for and on behalf of DEBTFORCE by:

SIGNATURE: _____

NAME: Stephen Huggard

DESIGNATION: Managing Director

DATE: _____