

Customer Engagement Services Ltd Debt Recovery Terms and Conditions

CLAUSE 1- INTRODUCTION

These Terms and Conditions govern the debt collection services provided by Customer Engagement Services Ltd (NZBN: 9429046071408) of PO Box 11829, Ellerslie, Auckland (CESL) and form the agreement between CESL and the Client (You). The referral of any debt to CESL by the Client will constitute acceptance of these Terms and Conditions.

CLAUSE 2- SERVICES

- 2.1 CESL will attempt to recover debts that are referred to CESL by the Client. This will generally be via Telephone, Email, SMS, Tele-Messaging and Letter. In accordance with the Credit Reporting Privacy Code 2004 CESL will load and manage defaults with the Credit Reporter(s). In some cases it may be appropriate for CESL to instruct third parties including solicitors or field call agents to attempt collection. The cost of such third-party instructions will be borne by the Client provided however that the Client's written or verbal consent is obtained before any third parties are instructed.
- 2.2 In performing any services under this agreement CESL will take all reasonable care and skill and comply with all applicable laws and regulations.
- 2.3 A debt that has been referred to CESL will be recovered when the following occurs:
 - a) the full balance referred has been collected in full (whether payment has been made to CESL or directly to the Client); or
 - b) where the Client's terms of trade allow collection fees or costs to be added to the debt, the balance plus CESL's fees have been collected in full (whether payment has been made to CESL or directly to the Client); or
 - c) where agreement has been obtained either verbally or in writing from the Client to accept an amount less than the amount referred, that reduced amount has been collected in full (whether payment has been made to CESL or directly to the Client).

CLAUSE 3- FEES AND TERMINATION

- 3.1 Any monies received on behalf of the Client will be deposited into a dedicated payment account. CESL will deduct its fees and expenses (as set out in in Schedule 1 and as may be varied from time to time) from the moneys collected on behalf of the Client and forward the balance on a monthly basis. Agreed third- party expenses will be invoiced separately and must be paid by the due date shown in the invoice. Late payment of invoices will incur an interest charge of 2.5% per month calculated daily from the due date of invoice to the time payment is received by CESL.
- 3.2 Notification of payment: The Client will notify the Supplier if it receives payment of or settles or accepts instalment payment of any Referred Debt. For Recovered debt paid directly to the client CESL will provide an invoice for payment showing the calculation of commission fees within 5 days from month end. Payments to CESL are due the 20th of the month. Late payment of invoices will incur an



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interest charge of 2.5% per month calculated daily from the due date of invoice to the time payment is received by CESL.

- 3.3 Services in respect of any debt referred to CESL for collection can be suspended or terminated by either party providing notice in writing. Either party may terminate this agreement on thirty day's written notice and CESL can terminate immediately if the Client fails to pay any amount payable by the Client to CESL or the Client becomes insolvent or there is a change of ownership of the Client.
- 3.4 CESL has the right to change the commission or fees structure by providing thirty days' notice in writing to the Client. The Client may terminate this agreement by providing thirty days' written notice if it does not agree to any proposed change of commission.
- 3.5 Termination of this agreement does not affect any accrued rights or obligations of CESL or the Client. Any indemnities given by the Client will survive termination of this agreement.

CLAUSE 4- INDEMNITIES

- 4.1 The Client indemnifies CESL, its officers, employees, shareholders and agents from and against any damages arising as a result of any incorrect information provided by the Client or the lawful performance by CESL of any instructions given by the Client.
- 4.2 To the maximum extent permitted by law, CESL excludes all liability to the Client for damages arising under or in connection with the provision of any services provided under this agreement. The Client acknowledges that if it is acquiring the services provided under this agreement for the purposes of a business as defined by the Consumer Guarantees Act 1993 and that the provisions of that Act will not apply. To the extent that the exclusion of liability by CESL is in contravention of any law or is otherwise void, CESL's total liability to the Client under or in connection with this agreement is limited to \$12,000.
- 4.3 For the purposes of the indemnity and limitation of liability above, damages includes all liabilities, losses, damages, costs and expenses (including all legal costs on a solicitor client basis) arising under this agreement.

CLAUSE 5- PRIVACY/CONFIDENTIALITY

- 5.1 The Client and CESL must all times in fulfilling their obligations under this agreement comply with the Privacy Act 1993 and any relevant codes of conduct thereunder (Privacy Laws).
- 5.2 CESL agrees that all personal information relating to the customers of Client will be collected, stored, used and disclosed in accordance with the requirements of the Privacy Laws, including that it will be;
 - (a) used solely for the purposes of providing the services under this Agreement and will not be disclosed to any third party other than to the Credit Reporter as required in connection with the provision of Services under this Agreement;
 - (b) safeguarded against improper access by being stored in a secure manner and accessed only by persons requiring access for the purposes of providing the services under this Agreement; and

(c) updated immediately CESL becomes aware of any changes in that personal information.

CLAUSE 6- GENERAL

- 6.1 These Terms and Conditions may be amended by CESL on ten days' written notice to the Client. The Client may terminate this agreement by giving written notice to CESL within those ten days if it does not agree to any amendment.
- 6.2 The Client may not assign its rights or obligations under this agreement without CESL's prior written consent.
- 6.3 Any term or condition that is illegal or unenforceable will be severed from this agreement and the remaining terms and conditions shall remain in force.
- 6.4 A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the party giving the waiver.
- 6.5 This agreement does not create a relationship of employment, trust, agency or partnership between the parties.
- 6.6 This Agreement is governed by the laws of New Zealand.
- 6.7 This Agreement constitutes the entire agreement between the parties in connection with its subject matter.

SCHEDULE 1- FEES

Commission Charge
20%

Charges exclude gst

Note: Where Clients Terms of Trade, Terms and Conditions or Contracts include provision to on-charge debt recovery costs these will be added to the debt at point of lodgement.