

TERMS AND CONDITIONS

This is an Agreement between Debitum and you the Client.

1. TERM

This Agreement commences on the day the Client agrees to the Terms and Conditions (T&C's) and submits instructions to recover a debt and will continue until terminated.

2. CLIENTS OBLIGATIONS

- a) The Client agrees to provide Debitum with all information and documentation that Debitum may need to recover the debt.
- b) The Client warrants that the information it provides to Debitum is complete, accurate and correct.
- c) The Client authorises Debitum to receive, endorse and deposit all monies received by Debitum into its trust account on behalf of the Client and to deduct all applicable Fees (7) days after Debitum has invoiced the Client.
- d) The Client authorises Debitum to negotiate and make offers on Debt Amounts for payment from the Clients debtors. The Client agrees not to unreasonable withhold consent in relation to an offer by debtors.
- e) The Client agrees to notify Debitum within seven (7) days of receiving any payment from any debtors for a Debt assigned to Debitum for collection /recovery.
- f) The Client agrees to meet on demand all necessary and incurred disbursements, including legal and court fees, search fees, and other incidental costs including GST, associated with collecting/recovering a Debt through legal proceedings, even if the resulting collection/recovery is only partially successful or entirely unsuccessful.
- g) The Client agrees that Debitum reserves the right to refuse any collection/recovery matter referred to it by the Client, at its sole discretion.
- h) During the period that Debitum is acting for the Client in relation to a Debt, the Client agrees not to contact the debtor or accept a payment directly from the debtor.
- i) The Client agrees that if any action of the Client compromises the collection of the debt by Debitum, the Client will pay the fees payable to Debitum on the full Debt Amount.
- j) The Client agrees that they have the authority to enter these Terms and Conditions on behalf of anyone who has an interest in the Client's account.
- k) The legal relationship between Debitum and the Client is that of principal and agent and no other relationship shall be construed between Debitum and the Client.

3. SERVICES PROVIDED BY DEBITUM

The services that Debitum will provide to the Client include without limitation:

- a) Locating debtors;
- b) Corresponding with debtors;
- c) Issuing demands to debtors;
- d) Negotiating with debtors;
- e) Liaising with debtors and their representatives; and
- f) Engaging and instructed solicitors if required.

4. FEES AND DISBURSEMENTS

- a) If the Client refers a debt to Debitum for collection and payment is at any time made to the Client, Debitum, or a third party, Debitum's fees are payable by the Client based on the amount received.
- b) If the Client refers a debt to Debitum for collection/ recovery and the Recovered Debt Amount is less than, or more than the Debt amount, the fees payable to Debitum by the Client shall be based on the Recovered Debt Amount.
- c) If the Client accepts goods or services in lieu of payment from the debtors, the fees payable by the Client to Debitum shall be based on the full Debt Amount.
- d) If the Client is aware that the debtors have paid the debt amount prior to assigning the debt to Debitum, the fees payable shall be based on the full Debt Amount.
- e) If the Client is aware that the debtors is bankrupt or in Liquidation at the time of assigning the Debt to Debitum, the fees payable by the Client to Debitum shall be based on the full Debt Amount.
- f) If any collection/recovery managed by Debitum is compromised in any way, the Client agrees that the fees payable by the Client to Debitum shall be based on the full Debt Amount.

5. LEGAL SERVICES

- a) If Debitum is not successful in recovering the debt it may at its sole discretion, choose to commence legal proceedings to recover the debt by referring it to a legal practice.
- b) Debitum will provide the Client with an opportunity to accept or reject the commencement of legal proceedings.
- c) The Client grants a limited power of attorney to Debitum to engage a legal practice on the Client's behalf for the purpose of commencing legal proceedings to recover a debt from the Client's debtors.
- d) The Client will be liable for all disbursements and legal fees regardless of whether a debt is successfully recovered either in whole or part.
- e) If legal action is defended by a debtor, the legal practice will provide the Client with a cost disclosure and cost agreement.

- f) The Client will submit information regarding the debt they are seeking to recover to Debitum electronically. The Client agrees that their electronic signature is the legal equivalent to their manual signature. The Client agrees that use of a key ad, mouse or other device used to select an icon, item, button or similar act/action constitutes their electronic signature, which is the legal equivalent to their manual signature.
- g) By the act of forwarding one or more forms to Debitum, or on the Client's instructions to Debitum to recover a debt pursuant to this Agreement shall be deemed to have commenced from the date the Client signs the Terms and Condition or provides instructions to Debitum. Should the Client thereafter, at any time, instruct Debitum, whether expressly or by conduct, to terminate recovery proceedings for any reason, Debitum will be entitled to charge commission from the date of termination, as if the debt were paid in full, regardless of the ultimate outcome of further recovery action
- h) The Client agrees that the Client has read and agrees to be bound by these Terms and Conditions.
- i) The Client agrees that these Terms and Conditions contain the entire agreement between the parties and that any warranty or representation not contained in this Agreement do not form part of the agreement between the parties.

6. INVOICES, TRUST MONIES & GST

- a) All invoices issues by Debitum are payable upon the receipt of invoice.
- b) The client agrees tha should payment not be made by the due date, a debt collection equal to twenty (20) percent of the amount due will be included in the total amount owing and interest at the rate of three (3) percent per annum shall accrue on any outstanding amount compounded on a daily basis from the due date and the total amount shall be payable to Debitum by The Client as a debt due and owing.
- c) The client agrees that any Recovered Debt Amount will not be paid out by Debitum until fourteen (14) days after the last day of the calendar month it was received by Debitum.
- d) Should Debitum choose to pay out any Recovered Debt Amount prior to the timeframe mentioned above, it does so at its sole discretion.
- e) The Client agrees that Debitum may allocate any funds it holds in its trust account to account for professional costs and disbursements.
- f) Debitum may from time to time request the Client to place money in its trust account to account for professional costs and disbursements.
- g) If any amounts payable by the Client are subject to GST, then the Client is liable to pay the applicable GST on that amount.

7. WARRANTIES & INDEMNITY

The Client makes the following warranties to Debitum:

- a) All Debt Amounts are due and owing by the debtor(s) to the Client.
- b) The Client has provided Debitum with complete, true and accurate details of the debtor(s).
- c) All information that the Client provides to Debitum is complete, true and accurate.

- d) The Client shall indemnify and keep indemnified Debitum for any damage arising from any and all information that the Client provides which may be incorrect, false and/or misleading.
- e) The Client indemnifies and will keep indemnified (on a full indemnity basis) Debitum from and against any and all claims, liabilities, obligations, expenses or damages that Debitum may suffer or incur as a result of, or in connection with, these terms and conditions.

8. LIMITATION OF LIABILITY

Debitum expressly excludes any liability to the full extent of the law for consequential loss, incidental or indirect damages, due to, or arising from, the Services provided by Debitum. Where the law precluded such exclusion and implies certain conditions and warranties into this Terms and Conditions, the liability of Debitum for breach of such conditions or warranties shall be limited, to the amount paid by the Client in respect of the Services with regards to the specific Debt Amount assigned to Debitum.

9. PRIVACY AUTHORITY & CONSENT

- a) The Client acknowledges and agrees to allow Debitum to undertake the following activities to the extent permitted by law:
 - 1) Provide any items of the Client's and its debtor(s) personal information described in section 18E of the Privacy Act 2988 to a credit reporting agency.
 - 2) Obtain a consumer credit report about the Client and its debtor(s) from a credit reporting agency to assess the Credit Application or proposed guarantee or collect overdue payments.
 - 3) Give credit worthiness information about the Client service providers to assess the Client's credit worthiness or applications for credit, or to notify defaults of the status of the credit.
- b) The Client acknowledges and agrees that they may request access to their personal information held by Debitum. The Client consents to Debitum accessing its personal information for the purposes of carrying out the Services.
- c) The Client warrants that they have obtained express permission from its debtor(s) to refer debtor information, which may include personal information to Debitum or any other credit reporting agency and that the Client has not breached any Terms and Conditions with the debtor(s) or applicable legislation by doing so.
- d) The Client agrees and consents to Debitum sharing its personal information with Debitum's related companies and services, which may engage in direct marketing activities to the Client from time to time. The Client may choose to unsubscribe to such marketing activities directly with the related companies and services.

10. TERMINATION

- a) Debitum may terminate this Agreement upon the happening of any of the following events:
 - 1) The Client fails to pay Debitum's invoices by the Due Date and Debitum has issued the Client with a letter of demand which the Client has not complied with.
 - 2) The Client has been placed into administration or is the subject of a bankruptcy or winding up proceedings.

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- 3) The Client may terminate this Agreement immediately if Debitum, by notice in writing to the Client, carries its Fees.
- 4) This Agreement shall terminate by either party giving the other party one (1) month's written notice.
- 5) For a period of 45 days after receiving written notice, the Client will be liable to advise Debitum of any payments the Client received from the debtor(s) and Debitum will be entitled to charge commission based on the amount paid to the Client by the debtor(s). If a payment is received from the debtor within this period, please refer to section 8 of these Terms and Conditions.

DEFINITIONS

1. The following definitions shall apply to the Agreement between Debitum and the Client.
2. Fees means the amount payable by the Client to Debitum for services provided in accordance with the Agreement. All debt recovered from Debitum attracts a twenty (20) percent commission of the total Debt Amount. All GST levied on the commission shall be borne by the Client and Debitum shall provide a Tax Invoice to the Client.
3. Debt or Debt Amount means any debt the Client has referred to Debitum for collection/recovery in accordance with this Agreement.
4. Recovered Debt Amount means any amount of a Debt Amount that has been recovered by Debitum, the Client or a third party during, or after a debt has been referred to Debitum by the Client in accordance with this Agreement.
5. Services means the services referred to in this Agreement.