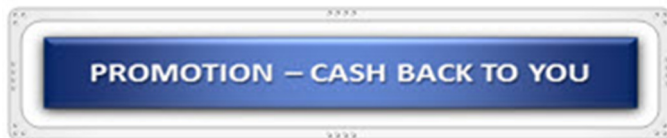




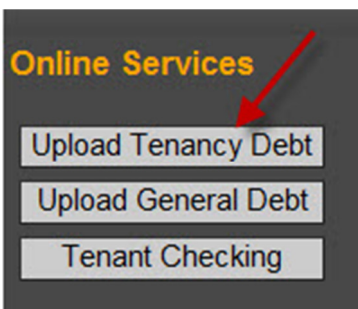
April 2011 Newsletter



Don't forget we are still running a competition, to the end of April 2011, to promote our on-line upload debt facility which was commissioned at the end of Labour week-end October 2010.

We will pay \$200 to the individual, and \$500 to the agency, that uploads the most debts during March & April 2011, under our option 2.

You can upload your debts via this button which can be found on most pages of our website



or you can try it now by clicking on this link

<http://www.cia.co.nz/upload-tenancy-debt.html> or copying and pasting the link into your Internet browser



[Adding Collection Company costs](#)

By now you will know about the amendment to Section 32 of the Residential Tenancies Act, which came into effect on 1.10.10, which has clarified the position that you can add debt collection company's charges to a Tenancy Tribunal order if you have a suitable clause in your tenancy agreement.

There has been varying orders from the Tenancy Tribunal on this point. Some have issued a totally separate order of these costs leaving it upto the letting agent or landlord to chase as another debt which incurs further enforcement costs. A more simple order where the adjudicator has allowed our costs to be added as part of the main order is attached [here](#). This means only one order has to be enforced if necessary (i.e. less enforcement costs).

We have prepared a spreadsheet which can also be found on our website page called [Fee schedules](#) to work out the costs you can add to the debt if you go to the Tribunal ready prepared. You could also download the attached Excel spreadsheet by clicking on this link. [debt calculations.xls](#) This spreadsheet is only applicable to our options.

[Ministry of Justice/ WINZ agreement to not restart attachment orders](#)

You will recall that we mentioned in our last month's newsletter that we were advised by the Ministry of Justice that if an attachment order ceased being deducted from a beneficiary's entitlement, for whatever reason, the creditor or their agent must contact WINZ to restart it within a 3 month time period of when it lapsed otherwise you would have to start the examination process right back from the beginning.

We have had a reply from, Byre Patchell, the General Manager Collections. The full letter is attached [here](#). In essence they are not going to change their policy.

He did point to some changes in the proposed Courts & Criminal Matters Bill 2010. This bill proposes to allow creditors to obtain an

attachment order without an examination hearing.

The Bill proposes that a creditor, or their debt collection agency, can demand the debtor to furnish a statement of financial position by mail or other form (e.g. email) and if the debtor co-operates then the Court can issue an attachment order on wages or benefit without a hearing. If the debtor refuses, or wants to be "heard", a hearing will have to be conducted.

There hasn't been much in the way of consultation with the collections industry otherwise they would know that we have found that 97% of debtors, hte last 12 months, have voluntarily made an offer of repayment so what makes them think a debtor will return statements of financial position in the future. There are thoughts that if a creditor can provide information of a debtor's income and expenses, from other creditable and proveable sources, then the Court can issue an attachment order.

This all sounds good but as more than 80% of our debtors are beneficiaries, who have "confidential addresses", we suggest there will have to be some process to take that into consideration among many of our thoughts as well.

Geoff Knight

Managing Director