



The C.I.A. Debt Recovery Group Ltd

P.O. Box 106-472, Auckland City, 1143, New Zealand

Free Phone 0800 111007 Free Fax 0800 222007

On-line tenant checking www.tinz.net.nz

Debt collection www.cia.co.nz

Email : admin@cia.co.nz

Nationwide Debt Recovery Specialists

23 June 2011

Dear Sir/Madam

Recently you contacted us with regard to you being interested in utilising our services.

We herewith furnish to you our Business Profile which outlines our philosophies and our services. You will note that our services are offered on a nationwide basis.

You should load your debts via our website at [Upload Your Tenancy Debt - CIA - The C.I.A. Debt Recovery Group Ltd](#), however, an instruction sheet for your use can be found on page 10, which you should photocopy as a template for future use. You can attach photos of your debtor(s) and attach documents to the on-line form.

If you need instruct us via the form enclosed, please complete one for each former tenant and send them, with a good copy of the Tenancy Tribunal order, to us. You will have to choose an option for billing. We find the most commonly chosen option is option 2 in the schedule of fees. This does have an upfront fee but in the light that more than 50% plus of debts have to go back through the District Court enforcement process this fee is substantially less than the current minimum costs of enforcement which are \$569 per debt if they turn up at that hearing or \$875 if we have to apply for a warrant for their arrest – per debtor. Please note **we** will pay for the costs of enforcement on our option 2.

However, saying all that, please peruse our other options and choose an option that fits your budget.

Please note that by instructing us your debtors (former tenants) will be listed on our sister company's national database (bad tenant register) known as Tenancy Information N Z. www.tinz.net.nz. This database is open to you to use to pre-check your next tenants.

We would be pleased to hear from you, should you feel you would like some advice or attention to any matter, now or in the future.

Yours faithfully

G.D. Knight

Geoff Knight
Managing Director

PROFILE

INTRODUCTION

Why use us...

When it comes to choosing a cash collection expert as your credit control partner, we respect the fact that we have very many rivals for you to choose from. So, why choose us? Well, we've been collecting our clients' accounts since 1993 and in that time we've met this challenge despite boom-and-bust economies, as well as truly remarkable technical and legislative changes too. But, throughout all of these years, we've always understood that we're only as good as the last client account we successfully collected.

We offer national coverage.

Overdue Account Collection Service

Your commercial deal is done, the goods or services have been delivered, and the invoice has been sent too. But, your debtor has still not paid. Let's assume that your terms are 30 days, and that your debtor still hasn't paid after 60/120 days. Assuming that you know they've already 'accepted' your invoice, and that they've never raised a query or dispute, they're probably using you as a free-of-charge overdraft facility.

That's when third-party intervention can play its role in the escalation process. We will act, in our own name, where we'll first assess their credit worthiness, or their ability to pay. Then, armed with this crucial information, we'll call them to negotiate payment of your invoice. This will ensure that your invoice gets priority over their other unpaid bills, and we'll educate them to pay on-time in the future.

Aged Debt Collection Service

Assuming that your terms are 30 days, and your debtor hasn't paid after 120 days, the chances are that you'll already be making provision for a bad-debt write-off. That's before you entrust us with third-party collection in our name. In our experience, if your debtor is solvent and liquid, they'll want to continue to attract credit terms with you, as well as other creditors. We'll explain that protracted default will damage their credit rating and, with it, negate their ability to get further credit.

We'll then leverage this position to ensure that your invoice is given priority over their other unpaid bills.

Invoice Acceptance

Too many companies issue their invoice and then do nothing until the account becomes due for payment. In our experience, this is dangerous because it assumes that the debtor has 'accepted' your invoice. The sooner that you know your debtor accepts your invoice, the sooner you can expect to be paid.

We'll call your debtors, gain their acceptance to its content, and schedule the date that it will be processed for payment. Your cash-flow forecast, and your query management,

will both improve, and your customers will respect that your credit terms mean what they say.

Persistent Late Payers

For many credit professionals, a persistent late payer represents the single most important reason for using the services of a cash collection expert. We find this very strange, and for two reasons: Firstly, 'persistent', and secondly 'late'. 'Persistent' means they regularly flaunt your credit terms, and thus increase the cost of maintaining them as a customer. 'Late' means they increase the pressure on you to fund your business without their cash. Both, in our estimation, are entirely unacceptable.

One statistic that no credit professional will dispute is that the likelihood of payment reduces over time. That's why we always encourage our customers to place their overdue accounts with us earlier, rather than later.

DEBT RECOVERY & DEBT MANAGEMENT SERVICE

We are specialists in the tracing of errant tenants and the recovery of debt from these persons. However we do collect general debt.

On a recent analysis we found that we located 89.7% of errant tenants and gained voluntary recoveries from 86%. We filed and monitored Court Enforcement procedures on the balance on behalf of the landlords.

We monitor the on-going repayments by your debtors.

We offer the service of debt monitoring where we take over the hassles with the day to day management of repayments from your debtors. We will relieve you of the tedium of calling up bad payers and if we get no results from these phone or personal contacts, we can instigate legal proceedings for formal recovery.

OUR SYSTEM

1. We can accept your written instructions by email, fax or mail;
2. We enter your instructions into our computer diarised "Client Management System" and at that time will at that time, preferably, email an acknowledgment to you;
3. We don't usually give you automated updates of our progress but we would be happy to receive a quick email from you every 6-8 weeks;
4. At the conclusion we will give you an advice as to the offer of repayment from your debtor and/or recommendation to pursue legal remedy.

CIA RENT MANAGEMENT – SEE OPTION 8 UNDER SCHEDULE OF FEES VIA OUR WEBSITE

We are specialists in the recovery of tenancy related debts and with an 89.7% locate rate you can see why even the Ministry of Justice Dept For Courts refer creditors to us.

For those landlords and property managers who don't want to have the daily hassle of collecting rent we offer to collect the weekly/monthly rent from your tenant(s). Call us for more details and a profile specific to tenancy related matters

SCHEDULE OF FEES

(This is subject to change without notice but is current to Thursday, June 23, 2011)

We now only offer one “results only” option – option 5 for the reason that many creditors get us to start work on tracing their debtors and when the only option is to litigate or enforce a debt they fail to commit themselves to any further action even though we have probably expended our funds prior to getting to this stage.

The most common options for tenancy related debt are Options 2,4 & 5

OPTION 1

Debt Registration

Registration of Debt – no pro-active tracing – debt will also be lodged on

Tenancy Information New Zealand Ltd – www.tinz.net.nz

Veda Advantage (formerly known as Baycorp)

\$20 + GST per debt (i.e. per Court order)

25% + GST of any amount recovered if debtor decides to pay us to clear default

EVICCTIONS

Residential - \$80 + G.S.T. per hour – minimum is \$320 + GST – which allows for 2 hours at actual eviction with Court Bailiff and locksmith and issue of trespass notice and 2 hours for returning to property to secure property after tenant has removed belongings at end of day.

Commercial – by quotation – depends on size of premises/staff to deal with.

Locksmith – at cost and billed to you direct

COURT HEARING REPRESENTATION

Examination hearings – we have contracted solicitors through New Zealand who are required, under current Ministry of Justice policies, to represent Debt Collection agencies at these and contempt hearings

\$133.33 + GST per hearing

Contempt Proceedings, Tenancy Tribunal, Summary Instalment Orders, Garnishee hearings,

\$180.00 + GST per hearing

TERMS OF TRADE - INVOICES WILL BE PAID FOR BEFORE WE ACTION OUR SERVICES

The most preferred option

OPTION 2 – Any Debt Size **on this option we pay enforcement costs**

You will be invoiced and payment is expected before we start our enquiries

\$250 + G.S.T. registration per debtor and per Court order

(we can chase just one debtor of your choice if there is multiple debtors on the Court order)

and we will deduct

20% plus G.S.T. commission

from any amount we recover or the debtor pays direct to you or any other agency you might also have instructed. The commission will be taken out of the debtor's repayments before being dispersed to you. We will bill you the commission if they pay you or another agency.

We will cover the costs of one enforcement process if we need to take this course of action

we will pay for the direct costs and we will recover them first from the debtor before dispersing recoveries less the 20% + GST commission. Current costs of enforcement for an order for examination amount to \$569.00 So this is the best option.

(i.e. preparing and swearing affidavits and applications for enforcement and the appearance of our solicitor or agent at any examination hearing. We will pay the costs of legal enforcement through to attachment order or distress warrant stage). We will not charge trace fees if they stop paying and we need to get them re-started on the repayments and/or initiate.

This option doesn't cover the cost of litigation to gain an enforceable Court order. We may have to refer you back to option 1 to enter this process if you have no Court order and your debtor refuses to pay voluntarily.

We will lodge the debt on our sister company's tenant checking and referencing system at Tenancy Information New Zealand – www.tinz.net.nz – which will also automatically lodge debt on Veda Advantage.

OPTION 3 – obsolete

OPTION 4 – Any Debt Size

on this option **you** pay 50% of enforcement costs if deemed necessary

(Covers field, trace and management fees only – does **not** cover civil litigation **nor** full enforcement costs – on this option you will be billed 50% any Court filing fees and contracted solicitor's fees for attending any hearing & solicitor's preparation costs.

\$125 registration fee + G.S.T., which is payable to register the debt

then we will deduct

30% plus G.S.T. commission from any amount we recover or the debtor pays direct to you or any other agency you might also have instructed.

The commission will be taken out of the debtor's repayments before being dispersed to you. We will bill you the commission if they pay you or another agency.

We will lodge the debt on our sister company's tenant checking and referencing system at Tenancy Information New Zealand – www.tinz.net.nz – which will also automatically lodge debt on Veda Advantage.

OPTION 5 – RESULTS ONLY DEBT RECOVERY & ENFORCEMENT

You may use this option for field, trace and management fees but they are intended for use as an alternative for collection and enforcement of Court Orders when debtors refuse to pay on the previous options. We will cover all costs of District Court enforcement. This option doesn't cover the cost to gain an enforceable Court or Tribunal order.

CIA reserves the right, not to enforce the debt via the District Court

Minimum debt \$800 – otherwise please use options above.

50% Plus G.S.T. commission from any amount we recover or the debtor pays direct to you or any other agency you might also have instructed.

The commission will be taken out of the debtor's repayments before being dispersed to you. We will bill you the commission if they pay you or another agency.

We will lodge the debt on our sister company's tenant checking and referencing system at Tenancy Information New Zealand – www.tinz.net.nz – which will also automatically lodge debt on Veda Advantage.

OPTION 6 - this is an insurance type plan – to prepay your future possible debt collection costs – not for current/old debts

See separate brochure or go on-line at <http://www.cia.co.nz/debtcollectinsure.htm>

OPTION 7 – Debts under \$800

on this option you pay ALL enforcement costs if deemed necessary

\$40 + G.S.T. register, which is payable to register the debt

then we will deduct

40% plus G.S.T. commission from any amount we recover or the debtor pays direct to you or any other agency you might also have instructed.

The commission will be taken out of the debtor's repayments before being dispersed to you. We will bill you the commission if they pay you or another agency.

Please note that **NO** active tracing is undertaken on this option. Only letters of demand will be sent to known addresses offered by you. We will undertake a maximum of 3 phone calls to known numbers for your debtor. This option does **NOT** cover civil litigation **nor** enforcement costs.

We will lodge the debt on our sister company's tenant checking and referencing system at Tenancy Information New Zealand – www.tinz.net.nz – which will also automatically lodge debt on Veda Advantage.

C.I.A.

Rent Collections

(Conditions apply – see attached)

Option 8 – Commission 6.95% + G.S.T. of collected rent – private landlord – discounts for multiple property owners or property managers

THE GUARANTEE

We guarantee the rent See our website www.cia.co.nz for more detail under the heading of “Rent management”

OUR INSTRUCTIONS to C.I.A.

PLEASE COMPLETE ONE (1) FORM FOR EACH TENANT/DEBTOR

Names of Tenant/Debtor		Date of Birth	
Known Aliases of tenant		Gender	
Your Property or other reference		Debtor's email address	
Please itemise these details – Please attach a copy of your Tenancy Tribunal Order and any application form you got the tenant to complete – if any amount is not on the order we will not be able to collect it.			
Rent arrears	\$		
Carpet cleaning	\$		
Pest control	\$		
General cleaning	\$		
Repairs	\$		
Lawns/gardening	\$		
Letting fee/advertising	\$		
Rent in lieu of notice	\$		
Water rates	\$		
Change of locks	\$		
Other (please state)	\$		
Subtotal	\$		
Less Bond	\$		
Less other credit	\$		
Total to recover	\$		
Current home address			
Work address			
Current Hm Ph	Work Ph	Mob Ph	
WINZ number		Car reg. No.	
Any other helpful details			
Description of tenant 1 (e.g. 5'10" tall, tattoos, distinguishing features)			
OUR SPECIFIC INSTRUCTIONS (e.g. trace & debt collect, tenancy termination, etc) :-			
Our Details	Email Address:		
My Company/Name:			
Postal Address:		Ph	
Physical address:		Fax	
Contact person:		Position	
Signature		Date	
My bank account number for direct credit of any proceeds of recovery	<input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/>		
	<u>My chosen fees payment method – please tick/circle</u>		
	Option 1 <input type="checkbox"/> Option 2 <input type="checkbox"/> Option 4 <input type="checkbox"/> Option 5 <input type="checkbox"/> Option 6 <input type="checkbox"/> Option 7 <input type="checkbox"/>		

I/We authorise **The C.I.A. Debt Recovery Group Ltd** to act as our agents in the above matters and agree to make payment of all charges and costs in accordance with **The C.I.A. Debt Recovery Group Ltd** current terms and conditions. I/We agree to not proceed to legal action, nor take independent action by any other means through agency or on my/our own accord, against this debtor without first notifying The C.I.A. Debt Recovery Group Ltd. If I/we do take independent action, I/we know we will be liable and be invoiced for the whole commission that relates to the option I have chosen above and any subsequent enforcement costs.

Form current as of 1.7.11

The C.I.A. Debt Recovery Group Ltd

Option 2

