

Frequently Asked Questions

WHAT MUST I PROVIDE TO LOAD A DEBT?

Simply complete one of our debt load forms and fax it back to us.

It often helps to give us all supporting documents as well, such as the debtor's last statement and any signed contracts.

Make sure you use the opportunity to tell us on what action you have taken to date including details of any dispute the debtor has raised and attach any correspondence that you think may help.

AGAIN IF YOU ARE NOT CERTAIN, GIVE US A CALL. DO YOU CHARGE AN ANNUAL SUBSCRIPTION OR FOR TOLL CALLS?

NO HOW DOES THE COMMISSION SCALE WORK?

Our commission structure is based on the value of the payment received.

At Debtworks we charge you a flat rate for the whole payment depending on where it fits in our scale.

Our structure is designed to ensure that we only charge for the amount of work required on the file. Because higher debt repayments mean less work for us, our formula allows us to pass that saving on to you.

In short, the larger the payment that we receive, the less commission you pay.

For a better understanding of our commission structure and to compare it to other formulas used in the industry have a look at the information sheet titled "when is 10% not 10%". HOW DO I READ DEBTWORKS' INVOICES?

Our invoices collate our charges on a debt by debt basis. We hope our invoices are easy to read but we admit there are a couple of terms we use when referring to debtor payments:

- Trust Payment – this is a debtor payment that has been paid to us and we have held in our trust account.
- Paid Direct – this is noting a payment that you have received directly.

We pay all the funds out of our trust account monthly.

We also bill you monthly and payment is due the 20th of the month following the date of our statement.

IF YOU ARE A STANDARD BILLING CLIENT, WE DEDUCT ANY CHARGES WE HAVE BILLED YOU FROM THE TRUST FUNDS WE PAY OUT. WHAT REPORTS ARE AVAILABLE?

Debtworks have several standard reports available to you. They can be set up to automatically print at month end and be sent to you.

The most common reports requested by our clients are:

- Progress report - This report gives you a detailed account of action taken on each active debt. It includes all transactions and notes. You can choose to see the last 30, 60, 90, or 120 days worth of notes.
- Statistics report - This gives a summary of the debt portfolio you have loaded with us and shows a summary of:

- o The number of files loaded with us and their current status; &
 - o The amount we have collected for you;
 - o What we have charged you.
- Collection Analysis - This report shows how quickly we collect the debt

If you would like to view examples of the above reports, let us know and we will send you a copy.

If there is some regular data you are looking for just ask. We can usually customise to suit your needs.**AM I ENTITLED TO RECOVER COLLECTION COSTS?**

The answer to this question will depend on how you trade with your debtors.

In short, if it is a term of the agreement you have with the debtor and it was brought to the debtor's attention before or as they enter into the contract, then yes you can recover your costs.

If there is no contractual term, you can still recover some but not all legal fees.

Bringing it to their attention could include signs clearly visible on the counter advising the debtor shall be liable for any costs incurred in collection of any outstanding debt.

We recommend you talk to us about whether you can or can't charge collection costs.….**AND HOW DO YOU RECOVER THEM?**

On a debt by debt basis we can elect inside our software to add on the costs. We preload potential commission cost to the debt based on a worst case scenario. This ensures we ask for the cost up front from the debtor.

Additionally for any other charge, every time we bill you we add it to the debt automatically. Unfortunately you still have to pay us first but we certainly make our best endeavours to recover them from the debtor for you.**GOT AN EASY OVERVIEW OF LEGAL ACTION**

We prefer to treat each debt individually when considering the best legal path but we have created generalised information guides on the different processes. So if you want more detail simply let us know and we will forward something to you.**GOT ANY OTHER QUESTIONS?**

CALL US ON 09 309 4242