## / Collection Module

## C26.01

- 1. You commit to taking all relevant pre-legal and legal collection and recovery actions according to our instructions to protect your rights and secure payment as follows:
  - (i) Along with the notification of overdue account, you shall appoint the collection agency to provide collection services. In case of insolvency you shall take all measures to protect the debt.
  - (ii) You undertake to update us in writing by means of a report from the *collection* agency detailing each collection action, its date and result, as follows:

Pre-legal stage:

Starting 30 days from the date you instruct the *collection agency* you will provide

- weekly reports for debts exceeding 100k
- For **debts** below 100k a report at the end of the prelegal phase.

Legal stage:

Monthly for all **debts**, regardless of value

- (iii) For all debts at the end of the pre-legal phase, in addition to the collection agency report you must also include a potential recovery assessment. This assessment should indicate a diagnosis of the buyer's situation and the collection agency's recommendation as to the collection actions to be carried out.
- (iv) If legal collection is recommended, you shall instruct the collection agency to initiate legal proceedings, including all relevant actions if insolvency proceedings have been applied for or instituted against the buyer in order to lodge the claim.

## **Collection Module**

- (v) If you decide not to pursue legal collection, you must obtain our prior written agreement. If we do not agree, we reserve the right to exercise all rights and remedies that you hold over the **debts**. In this event, you shall give us an irrevocable mandate to exercise such collection activities on your behalf and at your cost, whether or not your **debt** is covered in whole or in part; you shall therefore entrust us with full powers to exercise your rights in relation to your **debt** and especially with power to compound. You shall provide us with any documents or titles we may require to carry out the collection services and you will support any decision we may make in this respect, it being understood that we will pursue the case according to our own judgement of the merit of doing so, and will decide what resource to apply.
- (vi) Our prior written agreement must be given before you conclude any agreement with the buyer if such agreement entails a discount on the amount of the **debt** owing, a repayment plan or the alienation of your rights to payment.
- **2.** You must notify us as soon as you have knowledge of any **recovery** or the **insolvency** of your buyer.
- **3.** Your failure to comply with the provisions of this module will constitute a waiver of your rights to payment of a claim in respect of the relevant **debt** and you shall return to us any amounts already paid.
- **4.** The provisions of this module do not apply to **debts** which are out of the scope of this contract; or **debts** we have notified you are not covered.