



**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](http://www.tinz.net.nz)

Debt collection [www.cia.co.nz](http://www.cia.co.nz)

Email : [admin@cia.co.nz](mailto:admin@cia.co.nz)

Nationwide Debt Recovery Specialists

26 October 2010

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 can now 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 13, which you should photocopy as a template for future use. All you need to do to instruct us, is complete one for each errant tenant and fax that 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 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 a little more than \$550 per debt if they turn up at that hearing or nearly \$860 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. Please send us a copy of any application form you got from the tenant(s).

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 (tenants) will be listed on our sister company's national database (bad tenant register) known as Tenancy Information N Z. This database is open to landlords and property managers, such as yourself, to pre-check their prospective tenants before putting them into a new tenancy and can be found on the Internet at [www.tinz.net.nz](http://www.tinz.net.nz). You will have to go to the website to register first to be able to use the system. There are demo videos on the website as to how you make use of this service on the website.

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**

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## **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 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 Tuesday, October 26, 2010)

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](http://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**

## EVICTIONS

**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

\$150 inc GST (@12.5%) per hearing

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

\$202.50 inc GST (@12.5%) 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

### **\$240 + 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 \$540.00 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](http://www.tinz.net.nz) – which will also automatically lodge debt on Veda Advantage.

#### Examples

Option 2 - \$240 +GST reg and 20% + GST comm	examples of net that would become available from recovery			
No Enforcement costs	All size debts			
Debt amount	\$ 500.00	\$ 1,000.00	\$ 2,000.00	\$ 5,000.00
Registration cost (tax deductible & GST inc)	\$ 276.00	\$ 276.00	\$ 276.00	\$ 276.00
Commission on debt @ 20%	\$ 100.00	\$ 200.00	\$ 400.00	\$ 1,000.00
GST on commission (at 15%)	\$ 15.00	\$ 30.00	\$ 60.00	\$ 150.00
Commission Total (inc GST)	\$ 115.00	\$ 230.00	\$ 460.00	\$ 1,150.00
Total CIA deductions	\$ 391.00	\$ 506.00	\$ 736.00	\$ 1,426.00
Net to you after deducting registration cost and commission	\$ 109.00	\$ 494.00	\$ 1,264.00	\$ 3,574.00
District Court Enforcement costs (minimum) if requ	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
Discount to you	100%	100%	100%	100%
You pay	\$ -	\$ -	\$ -	\$ -

## 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.

**\$120 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](http://www.tinz.net.nz) – which will also automatically lodge debt on Veda Advantage.

Option 4 - \$120 + GST reg and 30% + GST comm	All size debts			
50% discount on enforcement costs (i.e. CIA will pay half and recover from debtor)				
Debt amount	\$ 500.00	\$ 1,000.00	\$ 2,000.00	\$ 5,000.00
Registration cost (tax deductible & GST inc)	\$ 138.00	\$ 138.00	\$ 138.00	\$ 138.00
Commission on debt @ 30%	\$ 150.00	\$ 300.00	\$ 600.00	\$ 1,500.00
GST on commission (at 15%)	\$ 22.50	\$ 45.00	\$ 90.00	\$ 225.00
Commission Total (inc GST)	\$ 172.50	\$ 345.00	\$ 690.00	\$ 1,725.00
Total CIA deductions	\$ 310.50	\$ 483.00	\$ 828.00	\$ 1,863.00
<b>Net to you after deducting registration cost and commission</b>	<b>\$ 189.50</b>	<b>\$ 517.00</b>	<b>\$ 1,172.00</b>	<b>\$ 3,137.00</b>
District Court Enforcement costs (minimum- if require)	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
Discount to you	50%	50%	50%	50%
You pay if debtor appears	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00
If debtor fails to appear a warrant to arrest required (normally \$153.33 docu prep and \$153.33 for solicitor to appear again)	\$ 128.00	\$ 128.00	\$ 128.00	\$ 128.00

## 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](http://www.tinz.net.nz) – which will also automatically lodge debt on Veda Advantage.

Option 5 - NO reg fee and 50% + GST comm	Minimum debt \$800			
<b>No Enforcement costs</b>	We may not enforce debts under \$1000			
Debt amount (minimum \$800)	\$ 800.00	\$ 1,000.00	\$ 2,000.00	\$ 5,000.00
Registration cost (tax deductible & GST inc)	\$ -	\$ -	\$ -	\$ -
Commission on debt @ 50%	\$ 400.00	\$ 500.00	\$ 1,000.00	\$ 2,500.00
GST on commission (at 15%)	\$ 60.00	\$ 75.00	\$ 150.00	\$ 375.00
Total commission (inc GST)	\$ 460.00	\$ 575.00	\$ 1,150.00	\$ 2,875.00
Total CIA deductions	\$ 460.00	\$ 575.00	\$ 1,150.00	\$ 2,875.00
Net to you after deducting registration cost and commission	\$ 340.00	\$ 425.00	\$ 850.00	\$ 2,125.00

## 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](http://www.tinz.net.nz) – which will also automatically lodge debt on Veda Advantage.

Option 7 - \$40 +GST reg and 40% + GST comm	Debts <\$800			
<b>No discount on enforcement costs</b>	ALL			
Debt amount	\$ 200.00	\$ 300.00	\$ 500.00	\$ 800.00
Registration cost (tax deductible & GST inc)	\$ 46.00	\$ 46.00	\$ 46.00	\$ 46.00
Commission on debt @ 40%	\$ 80.00	\$ 120.00	\$ 200.00	\$ 320.00
GST on commission (at 15%)	\$ 12.00	\$ 18.00	\$ 30.00	\$ 48.00
<b>Commission Total (inc GST)</b>	<b>\$ 92.00</b>	<b>\$ 138.00</b>	<b>\$ 230.00</b>	<b>\$ 368.00</b>
Total CIA deductions	\$ 138.00	\$ 184.00	\$ 276.00	\$ 414.00
<b>Net to you after deducting registration cost and commission</b>	<b>\$ 62.00</b>	<b>\$ 116.00</b>	<b>\$ 224.00</b>	<b>\$ 386.00</b>
District Court Enforcement costs (minimum- if required) - and will be added to debt	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
Discount to you	0%	0%	0%	0%
You pay if debtor appears	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
If debtor fails to appear a warrant to arrest required (normally \$153.33 docu prep and \$153.33for solicitor to appear again) - added to debt	\$ 306.67	\$ 306.67	\$ 306.67	\$ 306.67

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

The

**C.I.A.**

The C.I.A. Debt Recovery Group Ltd  
Debt Recovery Plan  
P O Box 106472, Auckland City 1143  
Ph 0800 111-007 Fax 0800 222-007

**Tracing and Debt Recovery cost insurance**

Only **\$160** per year  
per property plus G.S.T.

**NO COMMISSIONS, NO HIDDEN CHARGES**  
**NO COURT FEES**

(includes enforcement by order for examination and attachment order)

- FREE tracing of errant tenant(s)
- FREE recoveries of your debt
- FREE management of any debt repayment for the period of one year , from the date of instruction, reverting to the prevailing option 2 after one year
- Re-trace debtor(s) as required
- FREE preparation and swearing of Court enforcement documents if required
- C.I.A. will pay Court enforcement fees if no voluntary offer gained from debtor.

**RING US FOR A PROPERTY REGISTRATION FORM**

**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](http://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**

<b>Names of Tenant/Debtor</b>		<b>Date of Birth</b>	
<b>Known Aliases of tenant</b>		<b>Gender</b>	
<b>Your Property or other reference</b>		<b>Debtor's email address</b>	

**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)	\$
<b>Subtotal</b>	<b>\$</b>
Less Bond	\$
Less other credit	\$
<b>Total to recover</b>	<b>\$</b>

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) :-

<b>Our Details</b>	<b>Email Address:</b>
<b>My Company/Name:</b>	
<b>Postal Address:</b>	<b>Ph</b>
<b>Physical address:</b>	<b>Fax</b>
<b>Contact person:</b>	<b>Position</b>
<b>Signature</b>	<b>Date</b>
My bank account number for direct credit of any proceeds of recovery	<div style="text-align: center;"> <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"/> </div> <p><u>My chosen fees payment method – please tick/circle</u></p> <p>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"/></p>

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 1.10.10**



Tenancy Information New Zealand Ltd.  
PO Box 105524, Auckland City 1143, NZ  
Ph: 0800 836268  
Fx: 0800 222007  
Em: admin@tinz.net.nz  
Web: www.tinz.net.nz

New Zealand's Most Comprehensive Tenant Checking System

**as of 1.10.2010**

**and accumulating more than 500 per week.**

**Includes automated searches of Ministry of Justice Tenancy Tribunal decisions, Veda Advantage, Photos, Ratings, 10 day notices**

**REGISTER ON-LINE**

**AUTOMATED - 24 HOURS PER DAY – 7 DAYS PER WEEK**

**SERVICE HAS BEEN AVAILABLE SINCE OCTOBER 1998**

**CONFIRMATION OF REGISTRATION BACK TO YOU WITHIN 2 BUSINESS HOURS**

**The service costs can be located on-line at**

**[www.tinz.net.nz](http://www.tinz.net.nz)**

**In the rates schedule found under the "Join" button**

# The C.I.A. Debt Recovery Group Ltd

## Option 2

