

Terms and Conditions of Service

Definitions

In these terms and conditions unless the context otherwise requires the following words shall have the following meanings:

“CCL” means Cardinal Capital Ltd

“The Client” means the individual or corporate entity on whose behalf this service is given

“The Service” means the recovery and reporting system operated by Cardinal Capital Ltd.

“The Charge” means the percentage commission charge made by Cardinal Capital Ltd for the service provided.

Generally

1. The Client will employ the service of CCL to collect overdue accounts as described in the written quotation.
2. The Client will have been deemed to have accepted the terms of the written quotation and these Terms and Conditions by the first referral of accounts to CCL.
3. Both parties have the right to cancel the agreement if either commits any serious breach of the terms herein but only where the matter has been dealt with through open correspondence after which a period of three weeks has been given to rectify the breach.
4. The agreement between The Client and CCL will continue until terminated by at least six (6) months notice in writing served on the anniversary (twelve months) of the initial referral of new business by either party.
5. If The Client shall become insolvent or unable to pay its debts or commit any act of bankruptcy or where a statutory demand has been presented or go into liquidation or enter into either an individual or corporate voluntary arrangement or have a receiver appointed then CCL reserves the right to use any monies standing to the credit of the client to offset any and all fees due to CCL.

Service

1. CCL can accept data either in paper or electronic format. Once new business has been received by CCL in either format then the collection process will commence as soon as is practicable. CCL does not undertake the actioning of accounts within a set time frame as this can be dependent on a number of technical issues outside CCL control. Information on any undue delays will be communicated immediately to the client. Where data is offered electronically CCL will provide a gateway template which is compatible to the collection software. Where a format has been agreed and the Client subsequently changes that format then a charge may be made for the creation of a new gateway template.
2. CCL will perform its duties in accordance with the collection procedure or workflow previously agreed between the parties. Where services are requested which were not

included in the original quotation and where those services incur expense by CCL then either a charge will be made or will be the subject of separate commission negotiations.

3. The Client may request that CCL produce a report, which can be issued on a regular basis. The format of such a report will be agreed prior to the commencement of the Service. Should The Client require a report in any other format, then CCL reserves the right to charge for the set up of such a report.

4. From time to time CCL may use an agent for the provision of credit information or tracing. The Client agrees that as the data controller of the information CCL may, at their discretion, pass such details as necessary to the agent for the above purposes. CCL undertakes that they have made the necessary enquiries to ensure that the agent is bona fide and suitable for such work.

5. Payment to either The Client or CCL will be subject to the following conditions:-

a) The Client will be charged the agreed fee for all payments received, either by The Client or by CCL, on all accounts referred to CCL.

b) The Client agrees to provide CCL with details of all payments of accounts referred to CCL and made directly to The Client within 2 days of receipt by the Client.

c) All monies received by CCL will be banked in a Client Account and are subject to a period of fourteen (14) days clearance before being remitted to The Client with the monthly invoice

d) CCL reserves the right to debit the account of The Client immediately where payments received from The Client's customers are subsequently dishonoured after CCL have remitted to The Client together with any charges made by CCL's bankers.

e) When payments are received by CCL in foreign currency, CCL will negotiate the exchange rate at this time. However, if undue delays are experienced, the exchange rate may require renegotiation. Any fees or charges incurred by CCL from payments made in foreign currency will be included in the account. If this amount remains unpaid, CCL reserves the right to charge The Client for these irrecoverable costs.

f) Where The Client requires cheques to be drawn in their favour then CCL will both request this of the customer of The Client and forward any such cheques within two days of receipt.

g) Where goods which are subject of a collection are returned, or the balance written off or credited, CCL reserves the right to charge 50% of the commission that would normally be levied if this had been a successful collection.

h) CCL reserves the right to charge up to the full amount of the collection fee where the account handed over is already the subject of a query when passed to CCL.

i) Where the account is withdrawn due to payment being received on the same or following day as CCL's initial contact with a debtor, CCL reserves the right to make a £5 charge to cover administration and waive the normal commission.

j) If it is discovered that an account was paid prior to the referral of that account CCL reserves the right to charge 50% of the commission that would have otherwise been levied.

k) CCL reserves the right to pass on the current credit/debit card charges should a debtor pay us using this method.

6. At the exhaustion of CCL's collection process The Client may decide to take the advice of CCL in terms of proceeding with litigation. However, there is no obligation for The Client to instruct CCL to proceed with such matters. If such instructions are forthcoming to CCL, then a schedule of charges must be agreed prior to any instruction being actioned by CCL. In the absence of an agreed price structure, CCL is under no obligation to undertake any legal work on behalf of The Client.

Data Protection

1. The Company has a data protection policy that is regularly updated.
2. The policy covers how data is processed and handled together with the extent of its responsibility in respect of its clients and Suppliers
3. This policy forms part of these terms and conditions and is available on request.

Payment

1. CCL will send a monthly invoice to The Client on or about the third working day of each month. This invoice will include a breakdown of all payments received by The Client and CCL and the related fees.
2. The terms of payment of CCL invoices are strictly 30 days from the date of the invoice. No queries on invoices will be accepted after 14 days from the date of the invoice. CCL reserves the right to charge interest on late payment of invoices at the rate of 4% over base rate. All costs incurred in the collection of overdue accounts may be added to The Client's account.
3. If it is agreed that The Client has a valid claim in regard to a specific invoice a credit note will be issued within 14 working days of the date of the request.
4. If the payment terms outlined above are not adhered to, CCL reserves the right to immediately set-off monies due to them by The Client from cleared funds in CCL's possession.

Alteration and Governing Law

1. No alteration to these Terms and Conditions will be accepted by CCL unless specifically agreed to in writing by the Managing Director.
2. These Terms and Conditions are subject to the Laws of England and Wales and it is agreed that all parties submit themselves to the jurisdiction of the Courts of England and Wales.

Current as at 3rd March 2008