

## **TERMS & CONDITIONS OF BUSINESS**

### **THE SERVICE**

1. Redwood Collections Ltd (hereinafter referred to as "Redwood") will act as agents of the Client/Creditor in the collection of the client's overdue invoices from third parties and any other service ancillary and associated with this function.
2. Redwood Will:
  - a) maintain separate trust accounts for receipt of any monies due to clients received from third parties.
  - b) account to clients at least once in every calendar month, subject to our terms of payment as noted below and pay to clients such sums as are recovered during that period either gross or net as shall have been agreed between the parties.
  - c) adhere, where applicable, to all rules, regulations & guidelines imposed by relevant regulatory bodies, including the Financial Conduct Authority, in the conduct of such business on behalf of the client.
  - d) conduct its dealings with all third parties in keeping with the instructions of the client and shall do nothing, as the client's agent, to jeopardise the client's good name.
  - e) allocate late payment interest and debt recovery costs under the Late Payment of Commercial Debts (Interest) Act 1998 per invoice, on all commercial debts, where appropriate.

### **PRICE**

- 1) The collections of the client's delinquent accounts shall be charged by Redwood on the basis of commission on recovery and/or a handling charge as shall be agreed between parties, together with any ancillary disbursements and/or costs.
- 2) Ancillary services will be charged at the rate appearing in the current price list as shall be amended from time to time, a copy of which is available upon request.
- 3) Clients' shall be liable for these charges immediately following receipt and input onto the computer records held by Redwood, of client's instructions, by facsimile, telephone, post or electronic transfer.
- 4) VAT will be payable at the prevailing rate.
- 5) In the event of the client recalling the account, Redwood reserve the right to charge a close out fee equal to the prevailing commission rate as if the debt had been paid in full.
- 6) Commission is payable where payment is made by a third party, by contra arrangement or after the involvement of our client in the collection process even if payment is discovered to have been made prior to listing.

### **TERMS OF PAYMENT**

- 1) Where Redwood will account to clients gross on all recoveries, invoices shall be payable within twenty one days from the date of such invoice. In the event that such monies remain outstanding for twenty eight days, Redwood reserves the right to revert the account to net accounting without prior notice to clients.
- 2) Where the client accepts by way of payment, the return of goods supplied or some other form of compensation, the commission will be paid on the equivalent value of such settlement.
- 3) Where Redwood account to clients net of their own charges, any balance due in excess of recoveries shall be payable within thirty five days from the date of the invoice.
- 4) Where an account does not exceed the sum of £10.00 (ten pounds) debit or credit, no payment will be made or required at that time. The amount shall be debited or credited to the client's account as appropriate until such time at the account exceeds this sum or in the case of a final account.
- 5) Any account unpaid after sixty days from invoice date will attract interest at 4% above the current Barclays Bank base lending rate; alternatively Redwood reserves the right to apply for the provisions of the Late Payment of Commercial Interest Act 1998. All outstanding invoices shall be immediately due and payable, regardless of the date of the invoice. In addition, any costs arising in the pursuance of recovery of overdue invoices, howsoever incurred, will become your liability.

### **LEGAL & INSOLVENCY ACTIONS ON BEHALF OF CLIENTS**

- 1) In the event that the client requires Redwood to instruct solicitors to commence legal action, then the client shall be responsible for all fees and costs as invoiced to them. Redwood may operate under a financial referral agreement with the chosen Solicitors practice, selected at your request.
- 2) Redwood reserves the right to delay the commencement of legal action or other steps in such action in the event that any invoice shall be overdue for payment.
- 3) Redwood shall not be liable for any counterclaim and/or set off arising from an action nor any costs incurred by them or awarded in favour of a debtor or third party as a result thereof and the client shall indemnify Redwood in the event of costs and/or damages being awarded against them as a result thereof.
- 4) Various letters of authority may be presented to you from time to time, seeking your approval for speculative action. By signing your authority you hereby agree and accept that you have been fully appraised of your options including any potential adverse reactions and associated costs. Any fees quoted are not exhaustive, as it is impossible to predict the outcome of any court action. Redwood do not provide legal advice. Redwood shall offer the options available to you, depending on the nature and detail of your claim. Any advice given by a Solicitors practice will be done so in accordance with their terms of business as is standard under the rules of the Solicitors Regulation Authority.

### **GENERAL**

- 1) The client shall immediately inform Redwood following payment direct to them in full or part of any account placed for collection.
- 2) The client acknowledges that Redwood shall not be liable for any loss or damaged suffered by the client as the result of any collection activity.
- 3) Redwood reserves the right to levy a minimum commission of £25.00 (twenty-five pounds) in all instances where the total commission is less than this sum.
- 4) All accounts referred to Redwood will be collected in GBP Sterling. Any non GBP Sterling currency accounts will be converted to GBP Sterling on the day of the debt being listed at the rate detailed on [www.xe.com](http://www.xe.com) (an independent currency exchange).
- 5) Redwood may sub-contract all or any part of the collection as it deems necessary.
- 6) Where Redwood are instructed by an unincorporated body (e.g. a sole trader or partnership), Redwood are required to verify the identity of the instructing party or parties, either prior to accepting instructions or prior to accounting to that client.
- 7) Telephone calls to and from Redwood may be recorded for quality and training purposes.
- 8) These Terms & Conditions are subject to change without notice at the discretion of Redwood. By continuing to use the service you are agreeing to the Terms & Conditions and any updates thereto. Updates to these Terms & Conditions will be available upon request, or on demand via our website. Please ensure that you review the terms and conditions regularly as you will be deemed to have accepted any variation.