

Service Conditions  
DEBT COLLECTION

**Definitions Used in the Conditions**

**Debt Collector:** Coface Latvia Credit Management Services Ltd., Reg. No. 40003058793, legal address: 11a Berzaunes str., Riga, LV – 1039, Latvia. Tel. 6732460; e-mail office-latvia@coface.com

**Client:** A legal person registered to which the Debt Collector provides the service "Debt Collection" based on Order and these conditions.

**Pre-legal debt collection** - out-of-court recovery of debts from the Client's debtors - legal persons - carried out by the Debt Collector on behalf of the Client.

**The Parties:** The Debt Collector and the Client.

**Price list** price of the service "Out-of-court Debt Collection" as % (percentage) from each recovered amount.

**Order:** The Client's order to the Debt Collector to provide the service "Debt Collection".

**General Provisions**

1. These conditions establish the procedure how the Debt Collector is providing and the Client receiving and paying for the service "Debt Collection". These conditions establish the rights and responsibilities of the Parties in during the service "Debt Collection".

2. These conditions shall enter into force and be deemed to become a service agreement between the Debt Collector and the Client when the Debt Collector or its authorised representative has confirmed in writing the acceptance of the Client's order for "Debt Collection". The Debt Collector shall confirm the acceptance of the Order by sending a confirmation to the Client's fax, post or e-mail address stated in his order.

**The Ordering, Confirmation and Execution of the Order.**

3. The Debt Collector, by the Client's order shall carry out pre-legal collection of debts (hereinafter - Debt Collection Service) from the Client's debtors - legal persons - on behalf of the Client.

4. The Client shall submit the Order for Debt Collection Service to the Debt Collector in writing by filling in an order form available also online at [www.coface.lv](http://www.coface.lv). Along with the Order, the Client shall submit the copies of all documents serving as evidence of the debt (contracts, waybills-invoices, business correspondence with the debtor, etc.). If the Debt Collector agrees to commence the service, the Client shall also submit to the Debt Collector an original copy of the mandate to pursue the debt collection case.

5. The Client is responsible for the accuracy of the information provided in the Order and agrees to cover any damages incurred by the Debt Collector as a result of incorrectly provided information.

6. The Debt Collector shall advise the Client of its decision to commence, not to commence, postpone or cease the provision of the Debt Collection service by means of a written notification sent to the fax, post or e-mail address stated in the Client's Order.

7. While providing the Debt Collection service to the Client, the Debt Collector, at its own discretion, chooses the debt collection methods, approaches (meetings, negotiations, correspondence with the debtor, etc.) and *know-how*.

8. The Debt Collector shall inform the Client about the course and procedure of the Debt Collection service and the Client shall respond to the Debt Collector's queries and Orders in the course of provision of the Debt Collection service and respond to the Debt Collector's reports and proposals in due time.

9. Once the Debt Collection service Order has been approved by the Debt Collector, the Client undertakes to advise the Debt Collector of any payments made or goods returned by the debtor in settlement of the debt within 3 days from the receipt of the payment or the goods.

10. If, after the Debt Collection service has been approved by the Debt Collector, the Client and the debtor reach an agreement that affects or may affect the settlement of the debt, the Client shall immediately notify the Debt Collector thereof.

**Payment for the Service.**

11. The Client has the duty to pay for the Debt Collection service pursuant to the amount specified in the Price List or the Order (if there is other specific agreement over service price between the Parties), which forms an integral part of these conditions, and within the deadline stated in the invoice issued by the Debt Collector.

12. The Client has the duty to pay for the Debt Collection service if the Debt Collector recovers a debt partially in the course of the Debt Collection service or if the Client and the debtor reach an agreement for return of the goods supplied (or an agreement for exchange of the goods to equivalent ones, or the Client receives services amounting to the value of the debt, etc.). In such event, the Debt Collection service fee shall be calculated from the debt reduction amount.

15. In the event that the debtor has commenced the payment of the debt, but the Client for whatsoever reason wishes to cancel the debt collection Order, the Client has the duty to pay for the debt collection service pursuant to the percentage in the Price List calculated from the full debt amount.

**Other Provisions**

17. The Debt Collector and the Client are entitled to use electronic documents for the performance of the duties hereunder, including the preparation, sending and receipt of invoices, sending notifications, Orders and any other types of documents. The requirement for the document to be in writing is met if the document meets the requirements of the "Electronic Documents Law" and the "Law on the Legal Force of the Documents" The electronic document transmissions by the parties shall be deemed duly sent only if sent to the e-mail addresses of the parties that are stated in the Client's Order and these conditions.

18. The Debt Collector and the Client shall submit any notifications and Orders within the scope of these conditions and performance of the service in writing.

20. This conditions, service and invoicing, as well as any disputes related to service under this conditions shall be governed by laws of Republic of Latvia unless otherwise agreed and confirmed in writing.

21. The Parties shall be released from any liability for failure to comply with these conditions due to force majeure or exceptional circumstances that the Party or both Parties could have not foreseen or prevented, or influenced and cannot be held accountable for.

Riga,  
9<sup>th</sup> November, 2015



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 Arnis Blumfelds  
 Chairman of the Board  
 "Coface Latvia Credit Management Services" Ltd.