

TRANSACTION CAPITAL CREDIT HEALTH TERMS AND CONDITIONS OF THE DEBT NEGOTIATION SERVICE (“DNS”)

By ordering Credit Health’s Debt Negotiation Service (“DNS”) you agree to the following terms:

1. The DNS shall be performed by Credit Health’s highly skilled and trained debt negotiators;
2. The Settlement Amount(s), as determined by Credit Health, is based on *inter alia*: the historical circumstances relating to the account in question; the creditor’s legal prospects for recovery of the amounts claimed; the creditor’s existing settlement policy and past settlement practices. The Settlement Amount(s) is not based on any preliminary negotiations and you agree that the Settlement Amount(s), determined by Credit Health, is an estimate of the minimum amount which you agree to pay in settlement of the outstanding account;
3. You agree to deposit the Debt Negotiation Fee, usually amounting to R350, into the Credit Health Business Account (Standard Bank, Rosebank, Branch Code 004305, Account number 002050684);
4. You agree to deposit the Settlement Amount(s) into the Credit Health Capital Account (Standard Bank, Rosebank, Branch Code 004305, Account Number 001615106) before Credit Health shall be required to commence the DNS;
5. **You agree that, prior to and during the DNS, you shall not communicate with the related creditor(s) or their agents, as this may well prejudice the prospects of Credit Health achieving the quoted Settlement Amount(s). Should you be contacted by the creditor(s) or its/their collection agency(ies) you agree that you shall not communicate with them but shall rather refer them directly to Credit Health, informing them that Credit Health is your appointed service provider with respect to negotiating settlement of the related debt;**
6. You agree that should Credit Health, despite their reasonable efforts, be unable to settle your debt for the Settlement Amount(s) you shall not be entitled to claim any damages against Credit Health and Credit Health shall in these circumstances refund you the reduced settlement amount;
7. In the event of any dispute with Credit Health you agree that a full refund of Credit Health’s Debt Negotiation Fee is a sufficient penalty;
8. You agree that the Debt Negotiation Fee is non---refundable in the event that you decide not to go ahead with the Debt Negotiation Service, as Credit Health will have already investigated your account with your creditor, obtained the outstanding balance, entered a Settlement Amount and liaised with yourself;
9. In order to achieve the settlement of your debt for the reduced Settlement Amount(s), Credit Health shall be entitled to present offers of less than the Settlement Amount(s). Should any offer by Credit Health of less than the Settlement Amount(s) be accepted by the creditor, Credit Health shall be entitled to a contingency fee equal to the difference between the Settlement Amount(s) and the Paid Amount(s) (Contingency Fee”).



For illustrative purposes: where your account's outstanding balance is R10 000, you have deposited a Settlement Amount of R7 000 and Credit Health begins by making an offer of R6 500 to the creditor. In this scenario one of the following three outcomes may occur:

- a. The creditor may accept the offer. In this case Credit Health would earn a Contingency Fee of R500 (the difference between R6500 (the Paid Amount) and R7000 (the Settlement Amount)). The creditor will be paid R6500 in full and final settlement of the debt. You will have saved R3000;
- b. The creditor rejects the offer and indicates that an offer of R7000 (coincidentally, the Settlement Amount) would be acceptable. Credit Health will not earn a Contingency Fee, the creditor will be paid R7000 in full and final settlement of the debt. You will have saved R3000;
- c. The creditor rejects the offer and indicates that only an offer of R7 500 will be accepted in full and final settlement of the debt. In this case Credit Health shall nevertheless continue to negotiate further and attempt to reduce the amount payable in settlement of the debt as far as possible. However, should the creditor insist on an amount in excess of the Settlement Amount, for example R7 500, Credit Health shall correspond with you and advise you that the best settlement which they can achieve is R7500.

You would then elect to either:

- i. have all the monies which you deposited into the Credit Health Capital Account refunded to you or;
 - ii. Deposit the balance of R500 being the difference between R7 000 (the Settlement Amount) and R7 500 (the Revised Settlement Amount) in order for Credit Health to settle the debt for R7500. In this third example your total saving on the settlement of the debt is R2500 and Credit Health does not earn a Contingency Fee.
10. You agree that should the offer(s) made by Credit Health to your creditor(s) be accepted Credit Health may proceed to pay the creditor(s) from the Settlement Amount(s) you have deposited and will be deemed to have earned the Contingency Fee(s).
11. Credit Health nevertheless agrees to refund the Settlement Amount(s) received from you wherever you require a refund in terms hereof, provided any offer to your creditor(s) in terms of this agreement has not already been accepted.



Transaction Capital
Credit Health

Please sign to accept the terms and conditions:

Signature: _____

Name: _____

Date: _____