

Credit Insurance

Debt collection – terms and conditions

1 Contract object

Once the order is placed in writing or by electronic means, Euler Hermes Services Switzerland Ltd (hereafter EHS) shall, on behalf of its client, collect claims that are expected to be uncontested.

2 Exclusiity terms

After placing the order, the client will not negotiate with or take steps against the debtor with regard to the claim to be collected without the approval of EHS.

3 Order fulfilment

On placing the order, the client shall make all required documents and information pertinent to the debt collection available to EHS. Any missing documents or information will be provided on request.

EHS is entitled to proceed at its own due discretion. In particular, EHS can reject orders without providing reasons for this or discontinue the collection procedure.

EHS may instruct a lawyer to implement judicial measures. The lawyer will act on behalf of the client and is entitled to provide EHS with information about the status of the proceedings at any time.

4 Settlements

Settlements such as discounts on the principal claims, etc. require the client's approval. Other settlements such as agreements to pay in instalments can be agreed by EHS at its own discretion.

5 Reporting payments

If the debtor makes payments to the client or there are reductions of other kinds, EHS must be informed of this immediately.

6 Debt collection conditions and other fees

Placement fee and commission on results

A placement fee is calculated when placing the order which is stated in the collection agreement (or insurance policy). The agreement also determines the commission on results, which will be invoiced for where debt collection is successful.

This includes all forms of claim reduction that occur after the order is placed, particularly payments, credit notes, the settlement of counterclaims or return of goods.

EHS is entitled to commission on results from the point at which the order is placed with EHS, including where the payment is made directly to the client.

Other fees

The costs and fees incurred in relation to debt collection (e.g. lawyer costs, operating and court expenses, cash expenses and other fees) are not covered by the placement fee or commission on results. The client must pay for these separately.

Costly collection measures will be discussed with the client in advance. The fees are stated in the collection agreement.

– Representation of the creditor by an EHS employee

Representation at authorities, courts or external meetings (e.g. out-of-court mediation), as well as all travel time associated with the collection is charged separately.

– Credit Report

To obtain additional information about the debtor, which is relevant to the collection, Euler Hermes can request detailed information about the debtor and instigate targeted collection measures.

– Debt enforcement information

As part of its debt collection mandate, EHS can obtain current debt enforcement information from the competent enforcement authority, which contains information about other existing debt enforcement procedures and bankruptcy notices.

– **Claim submission in the event of bankruptcy**

In the event of bankruptcy, EHS will make a prompt claim submission. EHS hereby guarantees that the outstanding claim can be taken into account in the list of dividends as per the provisions of the Swiss Debt Collection and Bankruptcy Act (SchKG).

– **Bankruptcy monitoring**

EHS will monitor the ongoing bankruptcy procedure from claim submission to the payment of dividends or issuance of a certificate of unpaid debts.

EHS is entitled at any time to demand an advance on costs from the client. If this is not paid, this equates to withdrawal from the collection order. If the client withdraws its order without providing reasons for this, the full commission on the full claim amount or, where appropriate, on expected later payments, will be calculated. The full commission will also be charged in the event of evident avoidance of invoicing by means of withdrawing the order.

In the event that collection is unsuccessful, only the placement fee and actual expenses will be charged.

7 Invoicing

EHS will charge a placement fee for the order, which will be invoiced for in the first invoice.

Invoicing for the commission on results shall occur on a case-by-case basis immediately after payment is received or on conclusion of the collection mandate where smaller amounts are involved. Invoices are payable within 10 days.

Payments received by EHS will be transferred within 10 days, with collection costs charged directly. Other receivables the client owes EHS can also be recovered in this way.

Costs and fees shall be invoiced for immediately.

8 Termination of co-operation and changes to content

EHS is entitled to cancel the contractual relationship following a warning if the client negotiates or otherwise takes steps against the debtor without the written approval of EHS after the order has been placed. There is also a unilateral termination right if the client does not meet its obligations to cooperate. EHS may cancel for one of the above or another important reason. In this case, the client is liable for the accrued costs and/or lost commissions on results. This does not apply in the event of withdrawal by EHS.

EHS can change the content of the collection agreement at any time (including changing tariffs).

Changes to the agreement shall only apply to subsequent, new orders.

EHS can reject orders without providing reasons or discontinue the collection procedure.

9 Data protection

All orders are undertaken in compliance with the Swiss Federal Act on Data Protection.

10 Place of jurisdiction and applicable law

Disputes regarding a collection order are subject to Swiss law. The place of jurisdiction is where EHS is registered.