
iPacific Credit Policy

iPacific (A registered business name under Clarkson McLaren Corporate Communications Pty Ltd) ACN 107 961 795) currently offers a number of services to its clientele.

These services are provided by on agreement whereby credit is extended upon receipt of a client application. The client application clearly states a client's acceptance regarding all of our terms and conditions including our credit policy.

1. Recurring Monthly Invoices

Recurring monthly invoices are produced once per month and may include but are not limited to; telecommunications services (fixed line calling, service & equipment, internet and data services, GSM/CDMA services) The client acknowledges that these services are provided on 14 day payment terms, failure to pay for these services may result in collections processes as specified in our credit policy and our terms and conditions.

Collections Procedure

7 Days Overdue

An overdue notice will be sent advising of payment requirements and consequences for failure to make payment within the next 7 days.

14 Days Overdue

An attempt to contact the client through phone, email, letter, and fax will be made. Should the client be un-contactable then we reserve the right to suspend services from use. Advisement will be made that should payment not be received within 16 days all services will be disconnected.

30 Days Overdue

An attempt to contact the client through phone, email, letter, and fax will be made. Should the client be un-contactable then any outstanding services will be disconnected and notice of default with a credit reporting agency be pursued should payment not be received within another 30 days. Should a client make full payment following disconnection, iPacific reserves the right to charge a reconnection fee as specified in our standard terms and conditions.

60 Days Overdue

An attempt to contact the client through phone, email, letter, and fax will be made. Should the client be un-contactable then any outstanding monies will result in a credit default with a credit reporting agency. Additional notice will be provided that if payment is not received within 90 days then legal action for recovery of outstanding monies will commence.

90 Days Overdue

An attempt to contact the client through phone, email, letter, and fax will be made. Should the client be un-contactable then any outstanding monies will result in then legal action for recovery of outstanding monies.

2. Once Off Invoices

Some clients may require products or services that result in a one off charge to their account. These invoices will appear as separate invoices to the standard monthly invoice run and are held in a separate accounting system by iPacific. Payment terms on these invoices are 7 days only, failure to pay for these services may result in collections processes as specified in our credit policy and our terms and conditions.

Collections Procedure

7 Days Overdue



iPacific
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PO BOX 9, Petersham NSW 2049
PH: 1300 788 354 Fax 1300 788 356
W: www.iPacific.com.au E: info@iPacific.com.au

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3. CREDIT ASSESSMENT

3.1 Credit Assessment Rule

Where a Customer applies for credit IPacific shall

- (a) Undertake an appropriate Credit Assessment in order to determine whether to supply a Service to that Customer; or
- (b) Supply a Service which limits the Customer's expenditure or usage via:
 - (I) a Hard Cap;
 - (II) A Pre-Paid Service;
 - (III) The barring of international and premium services calls;
 - (IV) In the case of Internet broadband access, the reduction of the download speed on reaching a limit;
or
 - (V) Any other equivalent measure that effectively limits a Customer's expenditure.

3.2 Credit Assessment Process

3.2.1 Where IPacific undertakes Credit Assessment of the Customer, IPacific shall inform the Customer at the time of the Assessment as to the general nature and effect of the Credit Assessment.

When undertaking a Credit Assessment, the IPacific may consider:

- The Customer's history and experience with the Service if the situation involves the transfer to another Service with IPacific;
- A Customer's payment history with that IPacific;
- A Customer's employment history;
- A Customer's income;
- A Customer's residential history;
- A credit check with a Credit Reporting Agency; or
- An appropriate check with another third party.

When undertaking a credit check with a Credit Reporting Agency, IPacific shall advise the Customer that any request or inquiry for credit may be recorded on their credit information file maintained by the Credit Reporting Agency.



3.2.2 If access to Services is restricted by the IPacific as a consequence of a IPacific's Credit Assessment, unless the Restricted Services have been previously supplied to the Customer, the IPacific must inform the Customer at the time they are imposed:

- (a) Of any Restrictions or conditions to be imposed upon access to the Service;
- b) Of the general nature of the reasons for these Restrictions; and
- (c) If applicable, how the Customer may access Services which have been Restricted.

3.2.3 If a IPacific requires a Customer to provide a Security Bond, IPacific shall:

- (a) Base the requirement on its Credit Assessment of the Customer;
- (b) Inform the Customer in Writing, prior to the collection of the Security Bond, that IPacific may use the Security Bond to offset any undisputed amount that is owed by the Customer;
- (c) advise the Customer in Writing within 14 days of receiving the Security Bond of repayment and interest arrangements and the account to which the Security Bond will be applied; and
- (d) Repay to the Customer the amount of the Security Bond together with interest accrued, within 10 business Days of the Customer
 - (i) Satisfactorily completing the terms of the Security Bond arrangements; or
 - ii) Ceasing Services with that IPacific.

NOTE:

Where a Customer has their Services Suspended or Disconnected, IPacific may use the Security Bond to offset any undisputed amount that is owed by the Customer.

3.2.4 If a IPacific requires a formal guarantee as a security for any Service, the IPacific must advise the Guarantor in Writing of the Nature and effect of the guarantee before the Service is provided.

NOTE:

The advice shall include the amount, period and extent where applicable and known, and that a Guarantor could be liable for the full amount of the debt owed to the IPacific.

3.2.5 A IPacific shall not use the term Guarantor to describe any person who is the Customer.

3.2.6 Where it is made known to IPacific that the Customer is not going to be the principal end user of the Service, IPacific shall inform the Customer of their potential liability and risk before the Service is provided.

3.2.7 If IPacific refuses to supply a Service and this decision is wholly or partly based on information provided by a Credit Reporting Agency, IPacific shall write to the Customer within seven days:

- (a) that the application for Service has been refused;
- (b) that the refusal was based wholly or partly on information relating to the Customer that a Credit Reporting Agency has given to IPacific;
- (c) the name and address of the Credit Reporting Agency; and
- (d) of their right to obtain access to their credit information file maintained by the Credit Reporting Agency.

3.2.8 If IPacific refuses supply of a Service for reasons other than those outlined in Clause 3.2.8; IPacific shall Inform the Customer of the nature of the reasons for this refusal.

4 CREDIT CONTROL TOOLS

4.1 Security Tools

4.1.1 IPacific shall notify Customers about the availability of security tools to prevent unauthorised access to and unauthorised use of Services and how to obtain assistance regarding their use. Where security tools are offered directly by IPacific, IPacific shall advise Customers of the costs of those tools.

EXAMPLES:

Appropriate security tools will depend on the nature of the Service but may include:



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- mobile phone blocking using a phone's International Mobile phone Equipment Identifier (IMEI);
- blocking access to Services when the IPacific is notified of a problem such as loss or theft of a phone;
- the use of a PIN and/or password to access a Service; and
- firewalls and virus protection for internet services.

4.1.2 Where a Customer requests IPacific to Suspend a Service under a contract for the supply of a Service, IPacific shall, prior to the Suspension of the Service, Inform the Customer of any fees or charges that they are required to pay while the Service is suspended.

NOTE:

This clause includes when a handset is lost or stolen.

4.2 Information on Unbilled Amounts and Credit Control Tools

4.2.1 IPacific shall provide a Customer with access to current information on Unbilled Amounts on their account.

NOTE:

The information will be considered current if it is the most recent information available to IPacific, recognising that IPacific may experience delays in receiving information, e.g., international roaming services, reseller services and 190 services.

EXAMPLES:

Customers may be given access to this information on-line, via a call centre, at the iPacific retail premises or through meters designed to record Service usage.

4.2.2 IPacific shall make publicly available a list of the credit control tools they offer. This list must be updated when tools are added, removed or altered.

4.3 Credit Control Tools Introduced by IPacific's

4.3.1 IPacific shall have credit control tools in place which are applied for the purpose of managing a Customer's expenditure, where appropriate.

EXAMPLES:

Appropriate credit control tools include:

- call barring or Restrictions on certain Services (for example to more expensive Services); providing call charge advice during the course of a premium services call;
- Pre-Paid Services except those with a Balanced Triggered Automatic Top-Up;
- Hard Caps;
- reducing broadband Internet download speed when a usage limit is reached; or
- notifying a Customer when a particular spend or usage level has been reached independently of enquiry or request by the Customer.

4.3.2 IPacific shall not charge a fee for credit control tools that are imposed on the Customer by IPacific.

4.4 Credit Control Tools available to Customers

IPacific must make available to Customers credit control tools that they can select to assist them to manage their expenditure.

EXAMPLES:

Credit control tools may include:

- optional call barring or Restrictions on access to certain Services
- optional Hard Cap;
- Pre-Paid Services;
- providing call charge advice during the course of a premium services call;



4.5 Customer Options To Restrict Access

4.5.1 IPacific shall Inform the Customer at the appropriate time

- (a) of the IPacific's Services to which they have access;
- (b) if there are options in relation to Restricting access to the Services; and
- (c) any charges the Customer will incur for these options.

4.5.2 Where a Customer has elected to Restrict access to a IPacific's Service, IPacific shall inform the Customer of:

- (a) any of the IPacific's Services to which the Restriction does not apply;

EXAMPLE:

If a Customer requests local call access only, IPacific should inform the Customer that access to operator calls (e.g. reverse charge calls) is still available.

- (b) any other circumstances of which IPacific is aware where the Restriction does not apply; and

EXAMPLE:

The Customer may still be able to make calls through other suppliers.

- (c) If the Restriction can be removed by anyone other than the Customer.

4.5.3 Where IPacific promotes that it can monitor a Customer's Unbilled Amounts, via the use of a Limit, and if the Customer elects this option, IPacific shall inform the Customer of:

- (a) the value of the Limit and whether and how the Limit might change from time to time;
- (b) whether the Limit is a guideline for Credit Management action or a Hard Cap and any implications and exceptions to that Limit; and
- (c) the action that will be taken once the Limit has been reached.

5 CREDIT MANAGEMENT

5.1 Payment Difficulties

IPacific has in place processes to assist Customers who are experiencing difficulties in paying their accounts. IPacific shall inform Customers of these processes.

5.2 Obligation To Advise

5.2.1 IPacific shall advise Customers prior to taking Credit Management action or at the appropriate time of the general nature and effect of:

- (a) the amount of time they have to pay for Services provided to them by IPacific and their obligation to pay by the due date;
- (b) any processes IPacific may have in place for interim billing or changes in the billing cycle for Credit Management purposes;
- (c) any processes IPacific may have in place for the follow up of accounts which are overdue for payment;
- (d) any processes IPacific has in place to assist Customers who are experiencing difficulties in paying their accounts including IPacific's Financial Hardship policy;
- (e) part payment of a bill in circumstances where a number of Services are combined on one bill and the method (if any) by which amounts received are allocated;
- (f) the general nature of the reasons for the IPacific's actions.

5.2.2 When Informing a Customer about a IPacific's Restriction, Suspension or Disconnection of the Customer's Service, IPacific must:

- (a) in the case of verbal advice, make reasonable attempts to ascertain whether the Customer has understood such advice;
- (b) ensure that the attempts to Inform are directed to the Customer for that Service; and
- (c) ensure that the primary method used by IPacific to Inform the Customer is in a format reasonably acceptable to the Customer based on their usage history.

EXAMPLES:



- For Customers using paper bills, IPacific might send a letter;
- for Customers who use mobile services, IPacific should send SMS only where there is an established history of SMS usage; or for Customers with Internet/online billing, a IPacific might send an email message.

5.2.3 Prior to IPacific either Suspending or Disconnecting a Service, IPacific shall make reasonable attempts to advise the Customer of:

- (a) the general nature of the role of community financial counsellors and consumer advocates in dealing with financial matters;

EXAMPLE:

“A community financial counsellor or consumer advocate may be able to help you with your financial situation. Contact your local community services department or financial counsellor or consumer advocate.”

- (b) options Customers have in respect to repayment processes; and
 (c) the effect non payment of an account may have on other Services the Customer has with IPacific.

EXAMPLE:

“Failure to pay a mobile account may result in Credit Management action in relation to a landline service with IPacific.”

5.3 Restriction of Services

5.3.1 Subject to Clause 5.5, IPacific shall take reasonable steps to Inform the customer of IPacific’s intention to Restrict a Service prior to Restricting that Service.

EXAMPLE:

A reasonable attempt may include advice in writing or two or more phone calls.

5.3.2 If IPacific is to Restrict a Customer’s access to Services as a consequence of a IPacific’s Credit Management processes, except in relation to those Restrictions which have been imposed at the time of Credit Assessment with the initial granting of a Service, IPacific shall inform the Customer:

- (a) of any Restrictions or conditions to be imposed upon access to the Service; and
 (b) how they might restore access to Services which have been Restricted, if applicable.

5.3.3 IPacific shall ensure that Emergency Service Numbers can be accessed from a Restricted Service.

5.4 Suspension of Services

5.4.1 IPacific shall:

- (a) subject to Clause 5.5, make reasonable attempts to Inform the Customer of IPacific’s impending Suspension of the Customer’s Service(s) a minimum of 7 Days prior to Suspension taking place;
 (b) when Informing the Customer of that impending Suspension, indicate the earliest date on which the Suspension could occur;
 (c) where a reasonable attempt to Inform the Customer is in Writing, include the date of issue on the correspondence; and
 (d) review its decision to Suspend within a reasonable time following contact from the Customer requesting it to do so, and Inform the Customer of the outcome of the review promptly.

NOTE:

Informing the Customer includes providing the Customer with information on the likely time within which the review will be completed. This would normally be within two business Days.

5.4.2 Prior to IPacific Suspending a Customer’s Service; IPacific shall make reasonable attempts to Inform the Customer:

- (a) of the consequences for the Customer of non-payment;



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EXAMPLE:

“You will not be able to make phone calls (in the case of a land line) until your payment is received.”

(b) of any ongoing charges that will still apply; and

(c) that IPacific has a Financial Hardship policy that may enable certain Customers to enter a financial arrangement to avoid further credit management action and that a summary of the policy is available on request.

5.4.3 IPacific shall ensure that Emergency Service Numbers can be accessed from a Suspended Service, where relevant.

5.5 Suspension or Restriction of Services Without Notice

IPacific:

(a) may be entitled to Suspend or Restrict a Service at any time without Informing the Customer in the following circumstances:

(i) if IPacific assesses that the Customer or the account status present an unacceptably high credit risk to IPacific; or

(ii) (ii) if IPacific reasonably suspects Fraud or attempted Fraud.

(b) must, at the Customer’s request, promptly review its decision to Suspend or Restrict a Service;

NOTE:

This would normally be within two business Days.

(c) must not impose a reconnection fee or charge, following action under this Clause, if the action resulted from a mistake by IPacific.

5.6 Disconnection of Services

5.6.1 IPacific must:

(a) make reasonable attempts to Inform a Customer of its decision to Disconnect the Customer’s Service a minimum of 7 Days prior to Disconnection taking place; and

EXAMPLE:

A reasonable attempt may include advice in writing or two or more phone calls.

(b) at the Customer’s request, promptly review its decision to Disconnect;

(c) when Informing the Customer of an impending Disconnection, indicate the earliest date on which the Disconnection could occur; and

(c) where a reasonable attempt to Inform the Customer is in Writing, include the date of issue on the correspondence.

5.6.2 IPacific shall send a separate Disconnection notice in Writing to the Customer prior to Disconnecting the Service, unless previously advised in Writing under Clauses 5.4.1, 5.4.2 or 5.6.1(a). A IPacific must not use a bill as a Disconnection notice.

5.6.3 Prior to a Service being Disconnected IPacific shall make reasonable attempts to Inform the Customer and any Guarantor of:

(a) the consequences for the Customer and Guarantor of nonpayment;

EXAMPLES:

“You will not be able to make or receive any calls, including to Emergency Service Numbers.” “You will lose your phone number.”

“You will lose access to your email address.”

(b) the consequences for other Services the Customer has with IPacific;

(c) that default information may be used for internal purposes or disclosed to a Credit Reporting Agency; and

(d) any process that enables Customers, following their Disconnection, to arrange a repayment plan prior to



commencing external recovery or legal action in respect to the outstanding amounts.

5.6.4 Prior to a Service being Disconnected; IPacific shall make reasonable attempts to advise in Writing the Customer and the Guarantor that:

- (a) the debt may be referred to an external collection agent for collection;
- (b) legal action may be taken to recover the unpaid debt;
- (c) default information may be disclosed to external parties or a Credit Reporting Agency; and
- (d) their phone number(s) may be lost after Disconnection.

5.7 Credit Management Action in Respect to Disputed Amounts

5.7.1 IPacific shall not take Credit Management action in relation to genuinely disputed amounts whilst the disputed amount is being investigated and remains unresolved by Clarkson McLaren Corporate Communications Pty Ltd, the Telecommunications Industry Ombudsman or a relevant recognised agency.

5.7.2 IPacific shall advise the Customer when it will commence Credit Management action after the dispute has been determined, if applicable.

NOTE:

IPacific is not prevented from taking Credit Management action in relation to the undisputed amounts owing.

5.8 Fees and Charges

5.8.1 Prior to imposing a Credit Management fee or charge, IPacific must advise the Customer in Writing of the amount and/or the method of calculation of the fee or charge including where the fee or charge incorporates overdue amounts or interest. Such fees or charges must be provided for in the contract for the supply of the Service, and only relate to IPacific's reasonable costs.

5.8.2 Where a Customer requests early termination of a contract for the supply of a Service, Clarkson McLaren Corporate Communications Pty Ltd shall Inform the Customer of any fees and charges provided for in the contract that are required to be paid to terminate the contract early.

5.8.3 Where IPacific invokes the early termination of a contract for the supply of a Service, IPacific shall Inform the Customer that fees and charges apply in accordance with the contract.

5.9 Collection Agents

5.9.1 IPacific shall ensure that Credit Management processes under this Code are followed, irrespective of outsourcing, and prior to referring the Customer debt to a mercantile agent (debt collection agent).

NOTE:

Debt collection agents can be internal to IPacific or externally contracted by IPacific.

5.9.2 IPacific shall ensure that compliance arrangements with mercantile agencies require that the collection methods employed by such agents are not:

- (a) harsh and unconscionable at law, or constitute undue harassment or are otherwise unlawful;
- (b) disreputable or offensive; or
- (c) inconsistent with the standards approved by any relevant industry body.

5.9.3 IPacific shall ensure that their mercantile agents comply with accepted professional and ethical standards for the collection of debts and have in place compliance systems that are in accord with the principles of the Australian Standard on Compliance Program (AS3806 – 2005) and a complaints handling process generally in accord with the Australian Standard on Complaints Handling.

EXAMPLES OF ACTIONS WHICH SHOULD NOT BE TAKEN



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- *Forms of notification used by collection agents of IPacific's which are misleading (e.g. in appearance in that they make themselves out to be Court documents when in fact they are not) as to content or to actual amounts due (e.g. lead to the belief that costs are due when in fact they are not).*
- *Continuance of collection activities for debts incurred prior to bankruptcy where a Customer is known to be a bankrupt.*
- *Demanding payment of debts from third parties or contacting third parties when there is no entitlement to do so.*
- *Collection actions that conflict with-*
 - *the provisions of the Trade Practices Act 1974 (Cth);*
 - *the ACCC-ASIC 'Debt Collection Guideline: for collectors and creditors'.*
- *Failure to have compliance check lists pursuant to the applicable standard.*
- *Breach of guidelines issued pursuant to the relevant Private Agents, Fair Trading or Commercial Agents Acts in each State.*

5.9.4 IPacific shall take all reasonable steps to ensure that debts that are sold or assigned to third parties do not include any unresolved service or billing issues involving disputed account balance amounts.

NOTE:

IPacific shall not sell or assign any debt which cannot be collected due to statutory bars. Statutory bars to debt recovery may be under state or territory legislation on Limitation of Actions

5.9.5 If any unresolved billing or service issues arise regarding an amount that has been sold or assigned to a third party, IPacific shall take all reasonable steps to resolve that issue.

NOTE:

If a Customer's complaint regarding debts that have been sold or assigned cannot be resolved directly with IPacific, the Telecommunications Industry Ombudsman is able to investigate the matter.

5.10 Default Information

5.10.1 IPacific must ensure that Credit Management processes under this Code are followed, irrespective of outsourcing, and prior to listing the Customer debt with a Credit Reporting Agency.

5.10.2 IPacific must take all reasonable steps to ensure that debts that are listed with a Credit Reporting Agency do not include any unresolved service or billing issues involving disputed account balance amounts.

5.10.3 If any unresolved billing or service issues arise regarding an amount that has been listed with a Credit Reporting Agency, IPacific shall take all reasonable steps to resolve that issue.

5.10.4 IPacific shall ensure that it has a process for updating its Customers' credit information with a Credit Reporting Agency as soon as practicable.

5.10.5 Where IPacific becomes aware that a Customer has been credit listed in error; the IPacific must notify the Credit Reporting Agency of that fact within one business Day.

5.11 Preventing Customer Disadvantage

Where a Customer can demonstrate that they have taken all reasonable steps to pay a known due debt but the account has not been paid as a result of a fault of a third party, or where IPacific is at fault, IPacific shall ensure that:

- (a) if the Customer has been default listed for this reason, it notifies the Credit Reporting Agency within one Business Day;
- (b) any additional charges do not arise as a result of the Customer's failure to pay; or

NOTE:

Additional charges can include disconnection fees, reconnection fees, late payment fees, early termination fees and interest charges.

- (c) any other credit related disadvantage to the Customer does not arise as a result of the Customer's failure to pay.



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NOTE;

Any other credit related disadvantage could include additional difficulty for the Customer in obtaining new or altered Services with IPacific.

NOTE:

IPacific would be at fault where:

- *it had failed to send the bill to the address provided by the Customer; or*
- *it sent an incorrect bill to the Customer.*

The Customer is taken to have behaved reasonably where the failure to pay the due debt was due to, for example the fault of a third party such as a bank or payment agency.

6 FINANCIAL HARDSHIP

6.1 Financial Hardship Policy

6.1.1 IPacific shall have a Financial Hardship policy for Customers who are experiencing Financial Hardship.

6.1.2 IPacific's Financial Hardship policy shall:

- (a) include provision for training staff who will be applying the Financial Hardship policy;
- (b) be sufficiently flexible to accommodate the circumstances of individual Customers;
- (c) ensure that a Customer is able to contact appropriate employees of the Clarkson McLaren Corporate Communications Pty Ltd if they are experiencing Financial Hardship; and
- (d) include options for managing a Customer's Financial Hardship.

6.1.3 IPacific shall give a Customer a summary orally or in writing of how the IPacific's Financial Hardship policy may assist Customers:

- (a) on the Customer's request;
- (b) when the Customer indicates to the IPacific that they are experiencing Financial Hardship; or
- (c) if the IPacific considers that the Customer may be eligible for the policy.

6.1.4 The summary shall include:

- (a) contact details for IPacific from whom the Customer can obtain more information on the IPacific's Financial Hardship Policy; and
- (b) options for managing a Customer's Financial Hardship as discussed in Clause 6.3.

6.1.5 When sending out a reminder notice in Writing, iPacific's shall tell their Customers of the existence of their Financial Hardship policy and how to obtain more details.

6.1.6 IPacific shall not impose charges on Customers for the implementation of their Financial Hardship policy.

6.2 Financial Hardship Assessment

6.2.1 Upon request, IPacific shall assess the Customer's eligibility for assistance under the IPacific's Financial Hardship policy.

6.2.2 When assessing a Customer's application for assistance under its Financial Hardship policy, iPacific must take into account the Customer's individual circumstances.

6.2.3 When assessing a Customer's application for assistance under its Financial Hardship policy, iPacific may request supporting documentation from the Customer. iPacific would not ordinarily require such supporting documentation from a Customer unless:

- (a) it appears that the financial arrangement will need to be long term;
- (b) the amount to be repaid to IPacific is considered large or significant;
- (c) the Customer has not been a Customer of the IPacific for very long; or
- (d) IPacific reasonably believes that there is a possibility of Fraud.

6.2.4 If IPacific requires supporting documentation from a Customer, iPacific must advise the Customer to send the documentation to a specific contact point. Contact details at a minimum must include the postal address and a facsimile number and/or email address for iPacific.

6.3 Financial Arrangements



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6.3.1 iPacific must ensure shall Financial Hardship arrangements as agreed upon with the Customer are sufficiently flexible to take into account the circumstances of the individual Customer.

6.3.2 iPacific's must Inform the Customer of the terms of the Financial Hardship arrangements, as agreed upon.

NOTE:

iPacific shall, at the request of the Customer, provide in Writing the amount and frequency of payment terms.

6.3.3 iPacific's shall ensure that a Customer is aware of their rights and obligations under any Financial Hardship arrangement.

6.3.4 At the time a Financial Hardship arrangement is implemented, iPacific must advise the Customer to contact them if the Customer's circumstances change during the term of the arrangement.

6.3.5 iPacific must be willing and able to review the Financial Hardship arrangement if the Customer advises iPacific that their circumstances have changed.

6.3.6 iPacific must not undertake Credit Management action including listing of the Customer debt with a Credit Reporting Agency while a Financial Hardship arrangement is being actively discussed by iPacific and Customer or during the course of a Financial Hardship arrangement unless:

- (a) the Customer breaches the terms of the Financial Hardship arrangement;
- (b) Credit Management action would be reasonable in the circumstances; or

EXAMPLE:

Credit Management action may be reasonable in the circumstances if it was to prevent the Customer falling further into debt.

- (d) the Customer, at that time, agrees.

6.3.7 If the Customer breaches the terms of the Financial Hardship arrangement and does not contact iPacific to discuss a new Financial Hardship arrangement, iPacific must take reasonable steps to contact the Customer or their Authorized Representative before taking Credit Management action.

7 MISCELLANEOUS CREDIT PROVISIONS

7.1 Credit Information

Subject to the provisions of the *Privacy Act 1988* (Cth), iPacific:

- (a) must ensure that a Customer is able to obtain information held by iPacific, relevant to their credit history or credit standing; and
- (b) in supplying the information referred to in Clause 7.1(a) to a Customer:
 - (i) must not impose a fee or charge for a Customer making the request for information;
 - (ii) may impose fees or charges for any abnormal costs incurred in supplying such information, but such fees or charges must not be excessive; and

EXAMPLE:

Any fees or charges above the reasonable costs of providing that information would be considered excessive

- (iii) must Inform the Customer at the time of, or prior to, the imposition of the fee or charge of the applicable fees or charges and/or the method of calculation of these amounts.

7.2 Advocates

iPacific must not refuse unreasonably to communicate with a Customer through that Customer's Advocate.

7.3 Accessibility of Communications

7.3.1 iPacific's shall ensure that information provided to Customers uses simple and straight forward language that is likely to be readily understood.



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Your Total ICT Solutions Provider
PO BOX 9, Petersham NSW 2049
PH: 1300 788 354 Fax 1300 788 356
W: www.iPacific.com.au E: info@iPacific.com.au

7.3.2 In communicating with and providing information to Customers, iPacific's shall have regard to the Customer's communication requirements.

APPENDIX A

Community Financial Counsellors and Consumer Advocates

Financial Counsellors are trained and accredited to work in the local community to provide remedial, preventative and advocacy services for people in financial distress (or who are in danger of entering financial distress) with a focus on people of low income. They are generally funded by State and Federal Governments and services are provided free of charge.

A Financial Counsellor works with a Customer to clarify and analyse their financial situation, explain financial and legal documents and processes, and identify and discuss options for resolving financial problems. While a Financial Counsellor may assist the Customer in negotiating with creditors, the Customer is always in control over what course of action will be taken. In some States, Consumer Advocates offer advice about consumer rights to Customers.

Contacting your local Financial Counsellor or Consumer Advocate

For your local service contact your local social services, or the following:

QLD Financial Counselling Services of Queensland (07) 3257 1957
NSW Credit and Debt Helpline 1800 808 488
ACT Care Financial Counselling (02) 6257 1788
VIC Consumer Credit Legal Service (03) 9602 3800
TAS Anglicare Financial Counselling 1800 243 232
SA UnitingCare Wesley Adelaide (08) 8202 5180
WA Financial Counsellors Resource Project (08) 9221 9411
NT Anglicare Financial Counselling 1800 898 500

APPENDIX B

Privacy Act 1988 (Cth) and Privacy Issues relevant to this Code

Determination 2003 No. 1 Privacy Act 1988, s. 11B(1)(b)(v)(B) – concerning classes of credit providers, dated 14 February 2003, has the effect of bringing iPacific's under Part IIIA of the Privacy Act 1988 (Cth) to the extent that they allow payment for goods/services after 7 days.

IN PARTICULAR:

1. iPacific must ensure that the relevant provisions of Part IIIA of the *Privacy Act 1988* (Cth) and the Credit Reporting Code of Conduct, are observed in seeking a credit report or a commercial credit enquiry from external sources, and that all advice to the Customer and consents required from the Customer in relation to this information are in place. Examples of what this may require are set out below.
2. Section 18E(8)(c) of the *Privacy Act 1988* (Cth) provides that a credit provider must not give to a credit reporting agency personal information relating to an individual if the credit provider did not, at the time of, or before, acquiring the information, inform the individual that the information might be disclosed to a credit reporting agency.
3. Where iPacific undertakes Credit Assessment of a Customer and intends to use external information sources, iPacific must ensure that the Customer is informed that personal identity information, and the fact of their application for credit, may be disclosed to external sources, as part of the Credit Assessment process, and the nature of those sources in each specific circumstance. If iPacific is a credit provider for the purposes of the *Privacy Act 1988* (Cth), any disclosures to external sources must be in accordance with:
 - a. One of the exceptions in section 18N(1) of the Privacy Act 1988 (Cth); and
 - b. Part II of the Credit Reporting Code of Conduct.
4. iPacific's that are credit providers under the *Privacy Act 1988* (Cth) will have compliance obligations under the Privacy Act 1988 and the Credit Reporting Code of Conduct in relation to the detection and prevention of serious credit infringements.
5. The Privacy Act 1988 does not contain an exception that would generally allow a Customer's default information to be provided to external data bases. As iPacific is a credit provider for the purposes of the *Privacy Act 1988* (Cth), any disclosures of a Customer's default information must be in accordance with:



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- (a) Part IIIA of *the Privacy Act 1988* (Cth); and
 - (b) Part II of the Credit Reporting Code of Conduct.
6. The disclosure of a Customer's personal information to a Guarantor must be in accordance with
- (a) Part IIIA of the Privacy Act 1988 (Cth); and
 - (a) Part II of the Credit Reporting Code of Conduct.
7. Where the dispute involves a credit report from a Credit Reporting Agency, iPacific should check:
- (a) that its records in relation to information contained in the credit report are accurate; and
 - (b) whether it is obliged under the Privacy Act 1988 (Cth) to notify the Credit Reporting Agency of certain information, before it refers information to the Credit Reporting Agency. iPacific must inform the Customer before it refers information to the Credit Reporting Agency.
8. iPacific must comply with its obligations under the National Privacy Principles in Schedule 3 of the Privacy Act 1988 (Cth) in relation to the information it collects, uses and discloses about the Customer.

