

DISTINCT SERVICES LTD

GROUP MEMBERS PAYMENT PROTECTION SCHEME (OPTIONAL)

- Optional scheme for all members.
- Administered by (Distinct Services Ltd) On behalf of its owned network members.
- Initial Member contribution \$1,000.00
- Ability to call for additional contributions if fund falls below a working level, but only on an annual basis, and in case of need at the discretion of Distinct Services Ltd.

Claim Conditions/terms/restrictions

- Compensation limited to 90% of sum claimed.
- No Claims will be considered unless you can clearly show you have tried to obtain payment through every possible means including a collection agency, lawyer or some other method.
- Maximum of \$10,000 per single claim, subject to other conditions set out here.
- The total payout in respect of one debtor member cannot exceed more than 50% of total fund. (total of all claims for one failed debtor member).
- Claims to be reduced pro-rata if total exceeds this sum.
- Waiting period – 6 months of membership before claim can be made
- No claim will be accepted if any payments are due to Distinct Services Ltd for membership or other fees, and/or overdue.
- Qualifying Payments must be delayed at least 6 months from due date.
- Unpaid invoices more than 120 days from the invoice date must be advised to Distinct Services Ltd HQ on a regular basis.
- Members leaving the Group of their own volition will be entitled to receive their initial contribution back, provided all fee payments are paid up in full and after a qualifying period of 6 months from their resignation and all other conditions set out here have been complied with.
- Members who are asked to leave by the Owners (DS) due to a breach of the Charter and/or performance issues and /or conditions determined

to be inconsistent with the needs of the Group will not receive a refund, neither will they be eligible to make claims which may have arisen during the validity of their membership or at any time post membership

Claims will be paid out when the debtor member is both unable to pay its debts and is in some form of official insolvency, and if payments are delayed by more than 6 months from date of invoice. In any event no claim will be accepted until 6 months has elapsed from date of invoice.

Claims procedure:

- Debtor Member makes claim
- HQ notify all members of debtor member details and seeks claims from other members
- Members have 20 days to make claims after first notification.
- HQ determine claims
- HQ authorises agreed Compensation payments to unpaid members pro-rata depending on total amount of claims
- HQ considers if fund needs to be topped up, and takes action accordingly
- The Unpaid member must continue to pursue payments due from defaulting member and agree to assign payments received back to DS Payment protection fund.