

This is a Service Agreement (**Agreement**) between Grunt C.E.A. Pty Ltd ACN 673 085 133 trading as Grunt Invoice Protection (**Grunt**) and the entity registered on the clients file at www.gruntip.com.au (**Client**).

1. Definitions

The following definitions shall apply to the terms and conditions set out below that form part of this Agreement:

Debt Amount means any debt that is issued by the Client through Grunt for recovery in accordance with this Agreement;

Dispute Period means the period seven (7) days from the date of the invoice issued by Grunt to the debtor;

Disputed Invoice means any invoice issued by Grunt that is disputed by the debtor within the Dispute Period, where the dispute is a genuine dispute and the relevant supporting information and documents have been provided;

Fees means the administrative fees stated on this Agreement chosen at the time of registration through the online form at www.gruntip.com.au payable by the Client in accordance with this Agreement;

Recovered Debt Amount means any amount of a Debt Amount actually recovered by either Grunt, the Client or a third party prior to, at the time of or after referral of an Debt Amount by the Client to Grunt in accordance with this Agreement; and

Services means the services set out at clause 4 of this Agreement.

2. Commencement

This Agreement shall commence on the Commencement Date being the date of registration through the online form and shall continue until terminated in accordance with the terms of this Agreement.

3. Engagement

- (a) The Client hereby engages Grunt and Grunt hereby agrees to recover debts owing to the Client by its debtor(s) from time to time.
- (b) The Client will provide Grunt with all such information and documentation as Grunt may reasonably deem necessary to collect any debt.
- (c) In any case handled by Grunt where the Client fails to provide Grunt with all such information and documentation requested within a reasonable time, then in each case,

full Fees are payable to Grunt by the Client and will be charged accordingly.

- (d) The Client warrants that all information it provides Grunt concerning the debtor and/or the debt or any other information, written or otherwise, is true and correct.
- (e) The Client authorises Grunt the right to charge all fees, including late fees, legal fees and disbursements and any other necessary fees to the debtor in addition to the Debt Amount.
- (f) The Client warrants and accepts that no additional interest, fees or charges will be charged to the debtor in accordance with the Client's own terms and conditions of business with respect to overdue invoices and late payments.
- (g) The Client authorises Grunt and any of its personnel to negotiate, make and accept offers on Debt Amounts for payment from the Client's debtors without consulting with the Client or any authorised person of the Client. The Client agrees that it duly accepts any offers Grunt agrees to on its behalf.
- (h) Additional services are not performed without written consent from the Client and signed by an authorised person. (See clause 4. Services).
- (i) All payments made by the debtor will be made to the Client's nominated bank account directly.
- (j) The Client must notify Grunt of any payment made by a debtor directly to the Client within five (5) working days of receiving payment.
- (k) Once the Client receives and accepts payment from the debtor, the Client will be liable to Grunt for any unpaid fees and charges, including late payment fees, enforcement and legal costs.
- (l) Grunt reserves the right to refuse any matter referred to it by the Client in its sole discretion.

4. Services

The Services that Grunt has agreed to provide to the Client include, but are not limited to, one of the following service levels:

- (a) Level One
 - i. issuing invoices;
- (b) Level Two
 - i. accounts receivable record keeping;

- ii. issuing invoices;
- iii. issuing payment reminders;
- (c) Level Three (Invoice Protection)
 - i. accounts receivable record keeping;
 - ii. issuing invoices;
 - iii. issuing payment reminders;
 - iv. issuing of demands (including late payment fees and additional charges); and
 - v. instructing solicitors pursuant to clause 7 of this Agreement to commence legal proceedings; and

5. Service Fees and Payment

- (a) The Fees Grunt will charge in relation to the Services described in clause 4 will be payable by purchase of credits in advance.
- (b) Upon purchase of credits, the Client will receive a positive credit balance on their User profile, which in turn will be used to issue each invoice.
- (c) One purchased credit will be for the value of \$1.00 AUD, and the standard Fees are as follows:

Services	Fees
Level One	Nil
Level Two	2 x credits / invoice
Level Three	4 x credits / invoice

- (d) The Client agrees to pay Grunt the Fees in accordance with the Payment Rules.
- (e) Grunt may, by (60) sixty days' notice in writing to the Client, vary the Fees payable in accordance with the terms of this Agreement.

6. Payment Rules

The following Payment Rules apply:

- (a) If the Client issues a Debt Amount through Grunt for recovery and payment is at any time made to the Client, Grunt or a third party, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement chosen at the time of registration as applicable.
- (b) If the Client issues a Debt Amount through Grunt for recovery and the debtor is entitled to a reduction on the Debt Amount and:

- i. if the amount of the reduction is equal to or exceeds the Debt Amount, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement chosen at the time of registration on the full Debt Amount; or
- ii. if the total of the reduction is less than the Debt Amount, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement chosen at the time of registration on the full Debt Amount.
- (c) If the Client has issued a Debt Amount through Grunt for recovery and the Client has settled with the debtor (a Settlement), the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement as at the time of registration of the full Debt Amount.
- (d) If the Client accepts goods in lieu of payment from the debtor, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement as at the time of registration of the full Debt Amount.
- (e) If the Client becomes aware that their debtor has paid the full Debt Amount prior to commencement of recovery and/or legal proceedings by Grunt, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement as at the time of registration of the full Debt Amount.
- (f) If the Client is aware that the debtor is bankrupt at the time the Client commences invoicing or recovery processes through Grunt, the Fees payable by the Client to Grunt shall be calculated in accordance with that stated on this Agreement as at the time of registration of the full Debt Amount.
- (g) If the Client elects to lodge a credit enquiry, or lodge the Client's debtor's details on any credit reporting agency as a mercantile enquiry, any fees associated with lodgement of the credit enquiry or credit default will be payable by the Client in advance.
- (h) In the event that any invoice issued by Grunt on behalf of the Client is a Disputed Invoice, and the dispute is made within the Dispute Period, the Client must rectify or challenge the dispute, or amend or cancel the invoice within the invoice term.

- (i) If the Client fails to rectify or challenge the dispute or amend or cancel the invoice within the invoice term, the invoice will be automatically voided.
- (j) Once the Dispute Period has ended, the invoice will no longer be able to be amended or cancelled by the Client.
- (k) In the event that any case handled by Grunt for collection is discontinued in any way, including but not exclusive to the process being compromised, within twelve (12) months of the debt being referred to Grunt by the Client, the Client agrees that the full Fees calculated in accordance with that stated on this Agreement chosen at the time of registration apply. A debt is deemed compromised when a Client interferes with Grunt's ability to collect a Debt Amount through their normal processes and procedures.
- (l) The Payment Rules and Grunt's right to recover unpaid Fees, including enforcement and legal fees as a debt due and owing from the Client shall survive the termination of this Agreement and/or withdrawal of your instructions.

7. Legal Service

- (a) For the purposes of commencing legal action against a debtor to recover a Debt Amount, the Client authorises Grunt to exclusively engage the services of its firm of appointed solicitors.
- (b) The firm of appointed solicitors will charge according to the scaled legal cost rates set by the State and Federal Courts of Australia as amended from time to time, where the scale rates do not apply to a legal service, the firm of appointed solicitors charge in accordance with its ordinary hourly rates.
- (c) All legal fees will be added to the Debt Amount to be recovered from the debtor, in accordance with the Client's terms and conditions with the debtor.
- (d) All legal disbursements will be paid by Grunt and added to the Debt Amount to be recovered from the debtor, in accordance with the Client's terms and conditions with the debtor.
- (e) Upon commencement of legal action against a debtor, the Client accepts that all invoicing for that debtor will be suspended by Grunt, until such time as the legal proceedings have been resolved.
- (f) If legal action is defended by a debtor, the firm of appointed solicitors will provide the

Client with a cost agreement and cost disclosure document.

- (g) Grunt is unable to provide any guarantee as to the outcome of any legal proceedings and is unable to guarantee the recovery of any amount in relation to the Debt Amount.

8. Warranties

The Client makes the following warranties:

- (a) All Debt Amounts are due and owing to the Client by the debtor;
- (b) the Client has provided Grunt with true and accurate details of the debtor;
- (c) the Client has satisfied itself that any person representing a debtor company is a director or an authorised representative of the company;
- (d) All information the Client provides to Grunt is true and accurate; and
- (e) the Client shall indemnify Grunt for any damage arising from any information the Client provide which may be incorrect, false and/or misleading and/or a breach of this clause 8 by the Client.

9. Privacy Authority and Consent

- (a) The Client agrees and expressly consents to Grunt undertaking the following activities to the extent permitted by law:
 - i. provide any items of the Client's and its debtor's personal information described in section 18E of the Privacy Act 1988 to a credit reporting agency;
 - ii. obtain a consumer credit report about the Client and its debtor from a credit reporting agency to assess the Credit Application or proposed guarantee or collect overdue payments;
 - iii. give credit worthiness information about the Client with other service providers to assess the Client's credit worthiness or applications for credit or to notify defaults or the status of the credit.
- (b) The Client acknowledges and agrees that they are aware that they may request access to their personal information held by Grunt. The Client expressly consents to Grunt accessing its personal information in order to complete the Services.
- (c) The Client warrants that all debtor information referred to Grunt is correct, accurate, and current. The Client further

warrants that they have obtained express permission from its debtors to refer debtor information, which may include personal information, to Grunt or any other Credit Reporting Agency. The indemnification under clause 12 applies to this clause.

- (d) The Client agrees and expressly consents to Grunt sharing its personal information to Grunt's related companies and services, which may engage in direct marketing activities to Clients from time to time. The Client may choose to unsubscribe to such direct marketing activities directly with the related companies and services.

10. Continued Services

- (a) The parties agree that the terms of this Agreement shall apply to any Debt Amount referred by the Client to Grunt for recovery from time to time unless the parties agree, in writing, that another agreement shall be entered with respect to a particular Debt Amount.
- (b) The Client agrees that Grunt may, in its sole discretion, choose to keep a debt recovery matter open or to close a debt recovery matter, regardless of whether this Agreement is expired or terminated until such a time the Debt Amount is fully paid.

11. Termination

- (a) Grunt may terminate this Agreement upon the happening of any of the following events:
 - i. the Client fails to pay any outstanding amount owed to Grunt by the Due Date and Grunt has issued the Client with a letter of demand which the Client have not complied with; or
 - ii. the Client has been placed into administration or is the subject of bankruptcy or winding up proceedings.

12. Indemnity

The Client indemnifies and will keep Grunt indemnified (on a full indemnity basis) from and against any and all claims, liabilities, obligations, expenses or damages which Grunt may suffer or incur as a result or in connection with the Services and this Agreement, generally.

13. Limitation of Liability

Grunt expressly excludes any liability for consequential loss, incidental or indirect damages (including but not limited to damages for loss of business profits, business

interruption and loss of opportunity) due to or arising from the Services. Where the law precludes such exclusion and implies certain conditions and warranties into this Agreement, the liability of Grunt for breach of such condition or warranty shall be limited, to the amount paid by the Client in respect of the Services with respect to the specific case referred to Grunt.

14. Goods and Services Tax

If any amounts payable by the Client are subject to Goods and Services Tax (GST), then the Client are liable to pay the GST on that amount.

15. Waiver

A party's failure or delay to exercise a power or right does not act as a waiver of that power or right.

16. Variation

This Agreement may not be varied except by written document signed by or on behalf of each of the parties.

17. Notices

Any notices under this Agreement must be in writing which may be given by personal delivery, pre-paid postage or facsimile to the party's business address or registered office.

18. Survival

Termination of this Agreement will not release either party from any liability or right of action which at the time of expiry or termination has already accrued to either party or which may thereafter accrue in respect of any act or omission prior to such expiry or termination. Such rights may include but not be limited to the recovery of any money due.

19. Counterparts

This Agreement may be executed in any number of counterparts each of which shall be an original but such counterparts together shall constitute one and the same instrument and the date of the Agreement will be the date on which it is executed by the last party.

20. Entire Agreement

This Agreement constitutes the entire agreement between the parties in relation to its subject matter and the parties agree that all prior representations, agreements, statements and understandings, whether verbal or in writing, have not been relied upon and are expressly excluded.

21. Relationship of the Parties

The legal relationship of the parties to this Agreement is that of principal and contractor,

nothing in this Agreement shall be construed as constituting a relationship of agency or partnership.

22. Severance

If any provision of this Agreement is wholly or partly invalid or unenforceable in any jurisdiction, that provision will be severed from this Agreement and will not affect the validity or enforceability of the remaining provisions which will continue in full force.

23. Governing Law and Jurisdiction

This Agreement is governed by the laws of Queensland and each party irrevocably submits to the exclusive jurisdiction of the courts of Queensland. Each party irrevocably waives any right to any claim of forum non conveniens, inconvenient forum, or transfer or change of venue.