

## Principal Plus for Nexus Trade Credit Policyholders

### Why should you be charged to collect overdue accounts from your debtors?

Thanks to late payment legislation your UK commercial buyer is responsible for paying reasonable collection costs in addition to the principal amount owed to you.

Under the \*Act most collection agencies add interest and reasonable collection costs to commercial debts placed with them for collection. The trouble is that when they fail to collect their reasonable collection costs, you are left to foot the bill for any monies they do recover. Now that's changing with STAs Principal Plus collection service available to you as a Nexus Trade Credit policyholder.

With Principal Plus, we will recover our costs from your buyer. Should we fail to recover our costs, that's our problem, not yours; you will pay us nothing.

### What do STA expect from you?

- ✓ You don't alter the amount outstanding after placement
- ✓ You don't accept a settlement equal to the amount placed, or less
- ✓ You do accept any STA recommendation to recover collection costs via legal action at our expense.

Any breach means STA cannot recover its collection costs from the buyer so you will need to pay us instead.

### Example of Principal Plus collection with outcomes:

Principal debt placed	=	£3,000.00
Interest	=	£62.87
Collection costs	=	£300.00
<b>TOTAL</b>	=	<b>£3,362.87</b>

#### Outcomes:

- 1 The buyer pays £3,362.87: you get £3,062.87, STA gets £300.
- 2 The buyer pays £3,000 (STA fails to recover collection costs): you get £3,000, STA gets £0.
- 3 The buyer pays £1-£2,999: you get £1-£2,999, STA gets £0.
- 4 The buyer pays £0: you get £0, STA gets £0.
- 5 You accept £3,000 (or less) in full-and-final settlement (preventing STA recovering collection costs): you get £2,850, STA gets £150.

### When can you use Principal Plus?

When you have past due commercial customers based in the UK you should tell us if you want to use Principal Plus or not.

\*Late Payment of Commercial Debts (Interest) Act 1998 amended latterly by Late Payment of Commercial Debts Regulations 2013.

### About STA International

Founded in New York in 1955, the STA group has offices in the USA and the UK, plus (co-owned) Mexico.

From its origins in debt collection, today the company also provides tracing and confidential credit control services to its clients on a worldwide basis.

All three services are ISO 9001 quality accredited, and supported by web-based reporting to provide clients with immediate and transparent updates on our progress.

STAs Corporate Accreditation from the Credit Services Association recognises the professional standard of our collectors and organisation, benchmarked against the highest industry standards.

### Contact Information

Tel: 01622 600 921  
Email: sales@staonline.com  
Web: www.stainternational.com

 STA International  
3rd Floor, Colman House  
King Street, Maidstone, ME14 1DN