

# Debt Procedure

## Subprocess



Have we confirmed it is a valid debt?  
(Refer to Debt Management Policy paras 3.1 – 3.2)

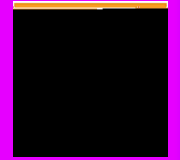
No

Is the debt collectable?  
(Refer to Debt Management Policy para 3.4)

Is the debt impaired?  
(Refer to Debt Management Policy para 3.10)

Is the debtor experiencing financial hardship?  
(Refer to Debt Management Policy 3.18)

Yes



4. Commercial Debt

# CIT Debt Impairment Flow Chart

1



Impairment

Create allowance for a debt at risk of not being collected. **Does not impact legal right to recover debt.**

Document nature of debtP98 Tm7

Write-off

Remove debt from accounts when it is considered uneconomical to recover. **Does not preclude recovery of debt at a later date.** Must be approved by authorised delegate.

Statute Barred Debt

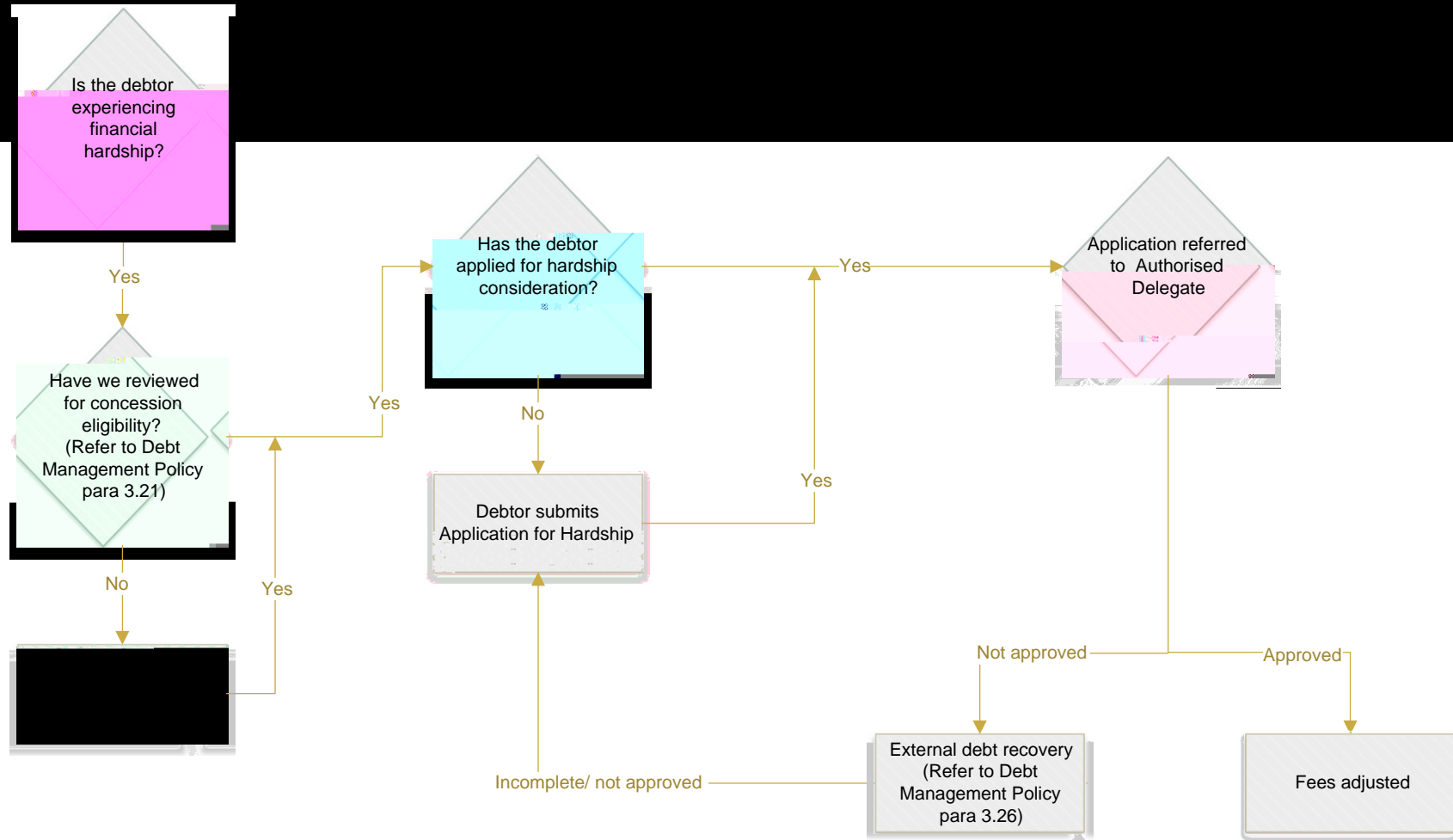
Outstanding debt where repayment **can no longer be pursued** due to bankruptcy or provisions of the *Limitation Act 1985*.

Waiver

Waive right to payment of debt under s.131 of FMA. **Recovery of debt cannot be pursued at a later date.** Must be approved by authorised delegate.

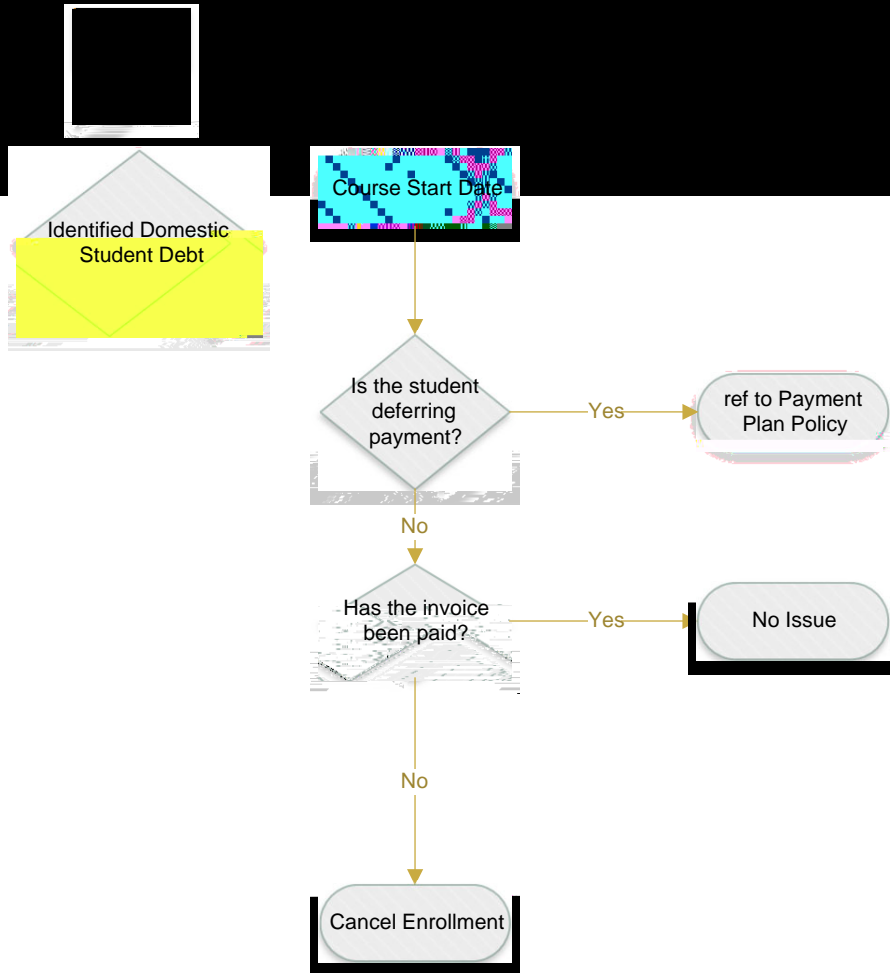
# CIT Financial Hardship Flow Chart

2



# CIT Domestic Student Debt Flow Chart

3



# CIT Commercial Debt Flow Chart

4



SOM + 5 days  
Phone Call follow-up of  
Aged Debtorsw#0