

Fixed Mandate Debt Collection Scenario

Joe agrees to a regular R100 repayment on the 25th of every month, with ABC Collections. They agree on the following:

- Should the collection date fall on a Sunday or a public holiday, the collection date may change.
- ABC Collections also explain to Joe that they may collect up to a maximum of R150 per collection, to accommodate any interest that may be levied if Joe does not honour his monthly arrangement.

What happens if...

Joe has no money in his bank account on the 25th, and the collection fails. ABC Collections then attempts to recover R120 from Joe on the 28th.



- Transaction will be allowed.
- ABC Collections may process both the regular recurring instalment amount on the 25th, as well as a Represented Collection in the same payments cycle, as long as the interest levied on the arrears payment is equal or less than R150 – the maximum instalment amount.

ABC Collections decides to process all their December collections earlier, on the 10th.



- Transaction will be allowed.
- Joe will however be able to dispute it, since he agreed to a regular collection date of the 25th.
- The next-business-day rule does not apply.

HOW DOES PAYM8 ASSIST?

PAYM8 will proactively validate all your data to prevent any possible failures resulting in transaction fees.