



The 5 Simple Steps to Successful Debt Collection

Step 1 - Letter of Demand to Debtor

The first step in the legal collections process is to draft and send via registered post a letter of demand (known as a Section 129 letter) to the Debtor.

Step 2 - Issue and serve summons on Debtor

If the Debtor has not made payment after 10 business days after the Section 129 letter, Summons must be issued at Court and served on the Debtor by the Sheriff.

Step 3 - Lodge Default Judgment at Court

If the Debtor has not responded after 10 court days to the Summons, a request for Default Judgment must be lodged at Court.

Step 4 - Issue Warrant of Execution against Property at Court

Once Default Judgment is granted, a Warrant of Execution against Property must be issued at Court and served on the Debtor by the Sheriff.

Step 5 – S65

If the Debtor does not have sufficient movable property to execute against, S65 proceedings are commenced by sending a S65 letter to the Debtor via registered post. This is followed by submitting a S65 Certificate and Notice to Court to obtain a Court date. Thereafter the S65 Certificate and Notice are served on the Debtor.

Comment:

Every step taken adds more pressure on the Debtor and increases the collections probability in that some Debtors will contact you to negotiate payment before the full process is followed.

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