



Mendelsons Fixed Price Fully Inclusive Legal Action.

Northern Territory

Mendelsons has specialized in debt recovery since 1977 and operates nationally.

- ✓ Operates nationwide
- ✓ A leader in Enforcement

- ✓ Fixed-price fully - inclusive legal action
- ✓ Expert in debt collection

What Is The Mendelsons Fixed- Price Fully- Inclusive Legal Action Service?

- Every legal action is vetted by a qualified Lawyer who undertakes overall responsibility for the matter.
- You will go right through to Judgment for the one **all-inclusive cost**, for undefended claims and subject to the terms detailed in these notes.
- The fixed fee covers all ordinary expenses, including attempts to obtain either full payment of the claim or a settlement acceptable to you.

Which Court?

- Small Claims Court for claims up to \$10,000.00
- Local Court for claims up to \$100,000.00.
- Supreme Court for claims over \$100,000.00

How Long Will I Have to Wait To Receive Payment From The Debtor?

- Unfortunately, no guarantees can be given as to when payment will be received. It is our philosophy to try to use legal action as a lever to get settlement from the debtor.
- Mendelsons Lawyers will maintain contact with the debtor to convince him to make payment prior to Judgment being taken out.
- Many debtors will pay up or enter into settlement negotiations after receiving the Claim to avoid Judgment being taken out.

What Is A Judgment?

- A Judgment is a formal Order from the Court which forms part of the public record.
- If a Judgment is taken out against a debtor, details are published in various gazettes and the information will be recorded on the debtor's Veda Advantage Credit file. This will make it difficult for the debtor to obtain credit at a later stage.
- It takes between 4 to 6 weeks from the time we commence to obtain a Judgment and it is enforceable for 12 years.
- Interest may be claimed both pre and post Judgment Pursuant to Section 84 Supreme Court Act 1961.

Will I Need To Go To Court?

- Over 95% of legal actions initiated by Mendelsons Lawyers for undisputed debt matters result in either a default Judgment or a settlement. There is **no Hearing** and no need for evidence to be given in these cases.

What Is The Cost?

VALUE OF DEBT	0 TO \$5,000.00	\$5,001.00 - \$10,000.00	\$10,001.00 - \$20,000.00	\$20,001.00 - \$30,000.00	\$30,001.00 - \$40,000.00	\$40,001.00 - \$50,000.00	\$50,001.00 - \$60,000.00	\$60,001.00 +
TOTAL INCLUSIVE COST	\$1,480.00	\$1,700.00	\$2,055.00	\$2,310.00	\$2,475.00	\$2,640.00	\$2,805.00	\$3,135.00
GST INCLUDED	\$111.36	\$131.18	\$151.00	\$166.18	\$181.18	\$196.18	\$211.18	\$241.18

All prices quoted are inclusive of GST, all legal costs, correspondence between both parties, up to three (3) attempts of service, together with Stamp Duty, all filling fees and all disbursements.

Out of State Service

If the Debtor is located outside Northern Territory, an additional \$100.00 will be added to the cost of the Fixed Price, which includes GST.

What Happens If The Debtor Does Not Pay On The Judgment?

- The Judgment itself contains no enforceability component. Therefore, if the debtor does not pay, it is then necessary to take separate enforcement procedures. We will discuss with you the enforcement options.
- We offer the following enforcement procedures:
 - Summons for Oral Examination
 - Warrant to Seize Property
 - Attachment of Earnings
 - Bankruptcy proceedings (for individuals)
 - Company Wind-Up
 - Seizure & Sale of Real Estate
- We offer a fixed-price fully inclusive rate for each enforcement procedure. If you would like further information please contact the Pre-Legal Team to request our **Fixed-Price Full- Inclusive Legal Enforcement** brochure, for Northern Territory.

What Happens If The Debtor Defends The Action?

- Legal proceedings for recovery of debts are carried out under a procedure which allows Judgment to be obtained "by default". There is no Court Hearing, no requirement to give evidence and no additional cost.
- If the debtor defends the action then unless a settlement can be negotiated, a Court Hearing will be held. Our **Fixed-Price Fully-Inclusive Legal Action Service does not extend to defended matters**. Our Lawyers will contact you if a Defence is received, to discuss the claim.
- If a Defence is lodged, it does not mean that it is a valid defence to the claim. However, it will mean that a default Judgment cannot be entered and it will involve you in some legal costs. In most cases where a defence is received, a settlement is achieved prior to the Court hearing.
- Unlike most other states, the Northern Territory Magistrates Court does not award professional costs for claims under \$10,000.00. Therefore, the cost award for such claim will be substantially below the actual cost, detailed above.

Unable to Serve Debtor?

- The fees cover up to 3 attempts at service.
- If we are unable to effect service and recommend obtaining an order for substituted service, our lawyers will discuss the cost with you. It will be your choice whether you proceed or not. The success rate on such applications is very high. If you don't proceed, there is no refund of the Fixed Price fee paid to Mendelsons.

Deed of Settlement of Debt.

- The fee does not cover negotiation of a deed of settlement with the debtor. If you authorize a settlement, the fee chargeable is \$250.00 plus gst.
- If the settlement is ultimately breached by the debtor, our lawyers will discuss with you the costs for entering judgment (which will normally include the additional costs which the debtor is liable for pursuant to the deed).

How Much Money Will I Get Back?

- Judgments over \$5,001.00 will include legal costs. From the amount recovered, you will receive a credit in full for the costs awarded by the Court.
- Any business with an ABN will be able to claim a GST credit for the amount detailed on the “**Action Form**”.

Claims Under \$5,000

- There is no minimum debt you can sue for. However, for debts under \$5,000.00 no costs will be awarded, unless the Court finds “special circumstances”.

How Do I Proceed?



Simply complete and sign the Action Form (which acknowledges that you have been provided with the Engagement Agreement) and send, with payment to Mendelsons Lawyers.

Contact: Sue Stevens
Post: Mendelsons Lawyers
Private Bag 6, Mitcham Vic 3132
Fax: (03) 9872 7250
www.mendelsons.com.au

Call the Legal Team for further details on (03) 9872 7289 or send an email to legal@mendelsons.com.au

Pursuant to Rule 29 of the Professional Conduct and Practice Rules 2005 (Victoria) Mendelsons Lawyers Pty Ltd ACN 125 099 701 discloses that it is associated with and shares common ownership with Prushka Fast Debt Recovery Pty Ltd.