

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?

- Magistrates Court for claims up to \$100,000.00.
- County Court for claims over \$100,001.00.

How Long Will I Have To Wait To Receive Money 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 Complaint, 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 15 years.
- Further interest runs on the Judgment from the date the Judgment is entered at the rate prescribed by the *Penalty Interest Rates Act*.

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 +	\$100,000.01 +
TOTAL INCLUSIVE COST	\$1,545.00	\$1,765.00	\$2,135.00	\$2,300.00	\$2,465.00	\$2,840.00	\$3,005.00	\$3,485.00	\$3,760.0
GST INCLUDED	\$111.09	\$131.09	\$151.36	\$166.36	\$181.36	\$195.95	\$210.95	\$240.99	\$240.99

County Court Claims

Claims that exceed \$100,001.00 are lodged with the County Court.

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

Mendelsons Lawyers will account in full to you for all legal costs forming part of the Judgment which are recovered from the debtor.

Out of State Service

If the Debtor is located outside Victoria, an additional \$100.00 will be added to the cost of the Fixed Price.

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 the enforcement options with you after we obtain judgment.
- We offer the following **fixed price fully inclusive** 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 our Legal Team to request our **Fixed-Price Fully-Inclusive Legal Enforcement** brochure, for Victoria.

What You May Become Liable to Pay

- Order for substituted service if our process server can't serve the Complaint by 3 attempts (fixed price fee available).
- Investigation fee, through Prushka Fast Debt Recovery, to locate debtor if necessary.
- Deed of Settlement, if you agree to settle (read below).
- Costs arising from the Debtor lodging a Defence (read below).

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 Solutions does not extend to defended matters**. We 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.
- Less than 5% of legal actions initiated by us result in a Defence being lodged.

Unable to Serve Debtor?

- The fee covers up to 3 attempts at service.
- If we are unable to effect service and recommend obtaining an order for substituted service, we 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 authorise a settlement, the fee chargeable is \$250 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?

- The Judgment will include legal costs and interest. From the amount recovered, you will receive a credit in full for the costs awarded by the court and will then receive the balance of the judgment amount.
- Any business with an ABN will be able to claim a GST credit for the amount detailed on the "**Action Form**".

Claims Under \$500.00

- There is no minimum debt you can sue for. However, for debts under \$500.00 which **become defended**, there will be no cost order, unless the Magistrate finds "special circumstances".
- A debt for under \$500.00 which is undefended will normally not receive a Cost Order in the same terms which apply to larger amounts.

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.