

Get Your Money

A Newsletter by Assegai Communications

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Dear Reader

Reading time: 4 minutes

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WATCH THE WORDING!

Some companies 'ask' for trouble! When recently checking my wife into hospital for a minor operation, I was required to sign their contract, as I am the principal member of the medical aid scheme to which we subscribe. I read the front of the contract, but could not read the 'tiny print' on the reverse – it was too small, and printed in a very light shade of brown (!), so it was almost impossible to read. Suspecting that this was to hide the true nature of the conditions, I questioned the receptionist and tried to read the clauses. When I discovered two paragraphs, which purported to release the hospital from any liability for wrongdoing, or loss, of any kind, I simply deleted them. The receptionist, clearly embarrassed by her employer's scheme to hoodwink its patients, did not say a word – she just filed the document.

My next surprise occurred when I asked for a copy of the contract. I was not permitted to have one! No copy is made available to patients. This is outrageous – and we thought the banks were overbearing and arrogant!

Not all contracts are in writing. In fact and in law, very few contracts need to be in writing, but where there is a written contract, great care is needed. Some 'standard' contracts contain complex, obscure and even immoral clauses. This fact has two main implications for you;

1. Do you understand every clause in your company's contract? It is essential that you do. At some stage, one of your customers will ask you what is meant by a particular clause. If you cannot answer correctly, your credibility – and your ability to collect money from that customer – could be damaged.
2. Second, you are yourself a customer (or patient) of many businesses. You will frequently find yourself facing a long, impossibly obscure contract designed by a mob of attorneys with Latin dictionaries. Read it. If you do not understand any part of it, insist that it is explained to you. If anybody says, "Oh, don't worry – we never enforce these clauses!" Refuse to sign them, or insist that they add their assurance, in writing, to the contract. They will not do so of course, unless they are absolutely clueless. That is a possibility, of course – there is often no communication between the people who devise contracts, and those who actually deal with the public. Don't let this happen in your company.

FACTORING: CAN YOU HELP?

Factoring, as most credit and collection people are aware, is the process whereby we get a bank or finance company to pay us out a proportion of our uncollected debts. They then proceed to collect the debts themselves.

'Discounters' do it differently. They advance us a proportion of our debtors, but do not actually do the collection work, themselves.

One of our readers would like to be referred to reliable factoring or discounters in South Africa. Please let us know if you deal with a reliable company, under either of the functions mentioned above.

LEGAL NOTE: SERVING A SUMMONS

Once issued by the Clerk of the Court, a summons must be 'served'. This means delivered, to the Defendant, by the Sheriff. If nobody is there when the Sheriff calls, he may call again once or twice, charging a fee for each visit. If somebody is present at the given address, the Sheriff is permitted to leave the summons with a person who is "over 16 years of age and apparently

in charge of the premises". These days, when few families have people at home during the day, it is a good idea to use a 'work' address for defendants, so that the Sheriff pays only one call to serve the summons – this can result in a significant saving, if you are sending out a large number of summonses.

There was a time when the Sheriff would simply attach the summons to the door, when nobody was home. This is only permitted now, if the Sheriff has ascertained from neighbours, that the defendant actually lives there. He may not be so keen to do this. Another good reason to serve the summons at work!

2005 SEMINAR CALENDAR

Our full seminar calendar for 2005 will be available shortly and will be posted to the website by month end, but if you would like this information sent to you, please send your request to info@assegaicomunications.co.za with the subject heading '2005 Seminar Calendar' and it will be sent to you as soon as it is available.
