

Get Your Money

A Newsletter by Assegai Communications

www.getyourmoney.co.za

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Dear Reader

Greetings! We have not issued our newsletter for nearly two months. Well, the holiday period is behind us now, so you can expect regular issues to arrive in your e-mail. They will be quick and easy reads, with a small change from the previous model – we intend to include some self-improvement tips.

Reading time: 4 minutes

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CREDIT INDUSTRY SHAKE-UP

Good news. The entire credit industry is due for a shake-up. A new law, currently called the National Credit Bill, is on the way – sources expect it to be passed as law within months, becoming the National Credit Act. It will replace the Usury Act, which regulates interest rates, and the Credit Agreement Act. Careful study, analysis of the provisions and a new look at all existing systems and documents will be needed.

So, why is it good? Because changes will have to be made. Changes are always uncomfortable, but they always present opportunities for improvement.

Many businesses have 'holes' in their credit systems and in their money recovery processes. This is the opportunity to find them and take steps to eradicate them. It is also the time to do more than just paper over the faults – it is an opportunity to introduce innovative methods of credit assessment and money recovery. Think about this – even the sales people will require

training. What good news! Now is the time to get them to do the support work that you and the credit department, need.

From the point of view of people who have careers in the credit industry, the change provides an opportunity to get more entries on your CV – everybody will need to attend courses, to re-qualify themselves. We at Assegai welcome the opportunity to present courses, and to assist in the re-design of credit documentation and recovery systems. Feel free to contact us for in-house training, or watch this space for news of public courses.

CELEBRATE EVERY SUCCESS

Chasing money is a tough job. You need all the extra energy you can get. This is the first in a series of articles designed to help you find the positive energy you need to face your day and excel.

Let's talk about news of the skinner, or gossip, kind. Some people seem to take great pleasure in hearing, and spreading, bad news about the misfortune or misbehaviour, of others. There seems to be no shortage of people willing to tell you the latest scandal. Most people listen gleefully. Newspapers and magazines, which publish this sort of thing, sell like crazy – look at the success of the popular 'tabloids'. Have you ever wondered why we take such an interest in the misfortune of others? Why does it give us a perverse sort of pleasure?

Perhaps the joy of gossip is that it helps us to feel superior to others – a sort of lifting of the spirit, at the expense of those whose fortunes are in the shadows. Surely this is not the way to go. In my experience, a far more genuine form of motivation is stimulated by talking about success. When you, or a person close to you (in emotional terms) achieves something successful, it gives you a real lift. So, why not create the same feeling for yourself, every day? Supposing you were to look for something positive to celebrate. Something to admire, or to feel pleased about, for somebody else. Take the time to notice that other people are achieving positive things in their lives, every day – sportsmen, businesswomen, students and community leaders. Imagine how hard they must have worked and how good they must feel to have achieved success. Put yourself, in your mind, in their places. Imagine that you are family or friend of the achievers. Celebrate for them. I believe that the success achieved by any other person is proof that successes can be achieved by any of us, if we go for it. It follows that any success is reason for a celebration. This is guaranteed to lift your spirits higher than the news of another's misfortune, and it will give you the energy you need to set, and achieve, your own goals. Keep your eye on the positives.

LEGAL NOTE: DEFAULT JUDGEMENT

When a summons is served, it contains a notice to the debtor, informing the debtor that he, she or it (in the case of a company or other judicial 'person') must defend the case within a given number of days, or face the prospect of a judgement being granted in their absence. If the debtor fails to lodge the necessary notice, the attorney or other person who has issued the summons, can claim default judgement.

Where the claim is a straightforward one for a stated debt, the process is easy. The attorney prepares a document in the form prescribed in the rules, and lodges it at court with the original summons and proof that it was served. Judgement is usually granted within a few days, though this may take weeks at some courts, if there is a backlog.

In some cases, it can take longer. If there are complications, such as the cancellation of a rental agreement (illuminated signs are often rented, not sold), the documents may need to be supplemented with an affidavit. It may even be necessary to lodge the original agreement between the creditor and the debtor. If you want to save time, make sure that you understand the requirements for default judgement in your claims. Be ready to provide your attorney with the necessary documents, before he announces that summons was served and the time period for the entry of an appearance to defend has expired. In fact, this demonstrates why you need to have a clear understanding with your collections lawyers, and regular communication – you can be ready with the necessary documentation before it is called for.

A default judgement is just as good as any other form of judgement, except for one thing – if a debtor wants to rescind (cancel) the judgement, he may be able to say that he had no knowledge of it, as it is not necessary to serve a copy of the application on him. He will also have to indicate that he does not actually have a defence to the claim, so this is usually not a problem. It is best that you know about it, however.
