



matthewsfolbigg
LAWYERS

BULLETIN:

Informing Clients
about the latest issues &

The MF DR: Matthews Folbigg Debt Recovery Update

Autumn 2019

Thursday, 9 May 2019

Hi Peter

Welcome to The MF DR, our Debt Recovery update, Autumn 2019 edition. We hope you find some useful information that may be of assistance in the management and collection of your outstanding debts.

LETTERS OF DEMAND:

The first step ... Diagnosis!



The first step to any debt recovery process is the simplest, but also the most critical. A properly crafted letter of demand will set the entire course of the debt recovery process and can maximise the chances of early success. Important considerations include understanding the debtor and what will most likely motivate payment – should it be a ‘soft’ or ‘hard’ letter; should it come on a solicitor’s letterhead, or will that cause unnecessary offence and does this matter?

And even for recalcitrant debtors, a properly thought through and worded demand will place a creditor in the best position to proceed to recover the debt together with the maximum amount of interest and costs to which the creditor is entitled. See more on this underrated topic [here](#) and our free LOD Checklist [here](#).

COMMENCEMENT OF PROCEEDINGS:

Off to Court ... Surgery!



The goods have been sold and the services rendered. The invoice has been issued but...no

payment. Your unpaid invoice is now starting to hurt you and despite issuing a letter of demand, the monies due have not materialised. What's next?

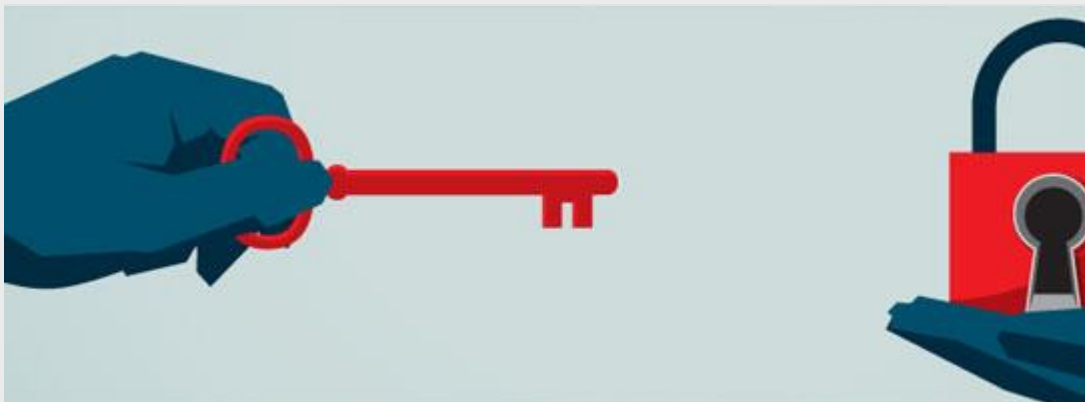
Your terms and conditions can be absolutely critical to giving you flexibility and strength in debt recovery processes – more on that in a later MF DR. In the meantime, visit our free DR decision tree [here](#) to consider your recovery options.

However, at some point litigation may become a necessary or preferable course for debt recovery. There are many factors to be considered when commencing legal proceedings; these include whether to use a short form or long form claim. In circumstances where the debtor agrees the debt is due but is unable to pay, a consent judgment may be sought to be filed which will provide a further period of 12 years to enforce the debt.

What are the critical things you need to know from the outset to ensure your litigation is set up with the best chances for success? How can you minimise your legal costs, and speed up the litigation process? What is your lawyer not telling you? Check out our article [here](#) and our free lawyer instruction sheet [here](#).

REGISTRATIONS OF PERSONAL PROPERTY SECURITIES (PPS):

Protect your goods!



When entering into a contract with a customer, you want to ensure that you have provided yourself with all the necessary protection and enforcement ability in order to recover any

amounts owed to you. This may include terms in your contract to allow registration on the Personal Property Securities Register (“**the PPSR**”).

Otherwise, if you have entered into a security agreement with an entity, you may already hold rights to register your security interest on the PPSR in order to provide you with protection against any default of the entity to pay an amount owed to you.

By registering a security interest on the PPSR, you will receive greater protection, which is useful should the customer run into financial difficulties, including entering external administration.

However, there are many pitfalls that people can fall into when registering a security interest on the PPSR which may cause the registration to be invalid and therefore the security has not been crystallised. Legal advice should be sought before conducting registrations on the PPSR to ensure that you are sufficiently protected and for your registration to be valid.

Speak with one of our solicitors today to get advice on updating your terms and conditions, and/or registering your interests on the PPSR.

For all enquiries on debt collection, document review, liquidator’s or trustee’s claims or general recovery advice, do not hesitate to contact the professional team at Matthews Folbigg Lawyers on 02 9635 7966 or email info@matthewsfolbigg.com.au

Determined to make a difference for our clients



As well as providing expert debt recovery services, Matthews Folbigg has for over 50-years been

providing a vast range of business legal services covering Commercial Law, Employment Law, Insolvency, Environmental Law, Commercial Property Law and Immigration Law. If you or someone you know has a need for business law advice, please [contact us here](#).

A banner image featuring a modern glass building in the background. The text is overlaid on a semi-transparent dark grey geometric shape. On the left, it lists the office address and phone number. On the right, it lists a range of legal services.

PARRAMATTA OFFICE

7/10-14 Smith Street,
Parramatta NSW 2150
(02) 9635 7966

RANGE OF LEGAL SERVICES

- Commercial Law
- Debt Recovery
- Family Law
- Immigration Law
- Insolvency & Restructuring
- Litigation & Dispute Resolution
- Local Government
- Personal Injury & Compensation
- Property Law
- Wills & Estate Planning
- Workplace / Employment Law

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