

This diagram provides a brief overview of a complex area of law which is dependent upon particular facts and circumstances. This diagram is not a substitute for legal advice. The relevant law is as at January 2006. © Holley Nethercote commercial lawyers 2004



**Client provides us with details of the debt owed to it**

We contact debtor requesting or demanding money

No response from debtor

After obtaining instructions, we issue proceedings against the debtor(s)

We can do this very efficiently and quickly. Normal debt-recovery agencies cannot initiate proceedings, because they are not lawyers.

If we can't find the debtor, we have a number of Private Investigators that we use to locate them

If a Defence is received, we enter into the normal litigation process, with the client consulted in each step of the process. Most defended debt recovery matters settle out of Court.

If no Defence received (which is usually the case), we obtain "default judgment" from the court.

After consulting with the client, we write to the debtor that we will enforce the judgment.

Debtor responds, and enters into a binding repayment agreement.

Bankruptcy (usually only for debts over \$10,000 in size)

Court order to Seize Property

Court Oral Examination

Client receives its share of the Bankrupt's estate

Property seized and sold by Sheriff, client receives proceeds of sale