



# FAIR DEBT COLLECTION PRACTICES ACT

## Legal Aspects and Processes of Collecting Debt



1 Day Course



Classroom or Virtual  
Blended Training



## About the Course

 **Classroom:** R 4, 650 Excl. VAT | **Virtual Training:** R 3, 940 Excl. VAT

The legal framework that today's credit departments have to work under has made collecting money more difficult for companies. Many corporates are using these changes to avoid or delay their financial payment obligations.



[View Public Dates](#)



1 Day



Accessible from any Location on any Device



Certificate of Attendance

This **Legal Aspects and Processes of Collecting Debt** course will cover the key legal aspects and processes for debt collecting from the working of a sound credit application to preparing for debt enforcement and possible litigation.

Areas such as fees, interest and other charges, debt enforcement in courts, dealing with liquidators or outsourcing difficult collections will be addressed. Issues arising from the New Companies Act, National Credit Act, Consumer Protection Act and the Protection of Personal Information Act (POPI) will also be covered.

## What you will learn

- Introducing the SA legal debt system.
- Looking into terms and conditions of trading, forms of security and legal aspects of credit applications.
- Uncovering passing of ownership and risk laws in relation to securing debt.
- Discovering legal options available to assist in recovering debt.
- Knowing when to negotiate, arbitrate or litigate and prepare for court cases.
- Looking at how to recover legal costs and interest options.
- Evaluating credit bureaus for civil debt collection.
- The effect on collections of Business Rescue (Chapter 6 of the New Companies Act) and other Acts.

## Who should attend

This course will give more experienced credit controllers the information they need to refine and further improve their practical collection skills.

### Previous delegates include:

Debt and Credit Managers, Financial Managers and Directors, Credit Controllers, Accounts Officers, Bookkeepers, Accountants, Admin Assistants, Credit Supervisors, Debtors and Creditors Clerks, Internal Auditors, Accounts Support Staff and Small Business Owners.



"An in-depth and comprehensive course that is extremely informative and provides clarity on the legal framework of debt collection."

- **Accounts Receivable Supervisor,**  
**Turdon**

## Course Programme Agenda

### The Dangers of Supplying Without a Credit Application Form

- The use of the credit application as a contract of sale
- Prevention of counter claims
- Formalisation of limits and terms
- Reservation of ownership
- Cession of rights

### Introduction to the South African Legal System

- An overview of the workings of the legal system
- The current law relating to Debt: Introducing the National Credit Act, New Companies Act, Usury Act, Insolvency Act and others
- Recent Legislative changes that affect you with regards to the legal process of collecting debt
- An update on the latest debt rulings coming from SA courts

### Understanding the Profile of your Debtor

- The legal standing of:
  - Sole Proprietorships
  - Partnerships
  - Companies
  - Closed Corporations
  - Trusts

### The Legal Aspects of the Credit Application

- Why a well-prepared credit application is so important
- The legality of a credit application form
- A discussion on the application for credit facilities
- The terms and conditions that should appear on the reverse of the credit application form
- Verifying the information and assessing risk

### Understanding Trading Terms and Conditions

- Understanding how the debtor assigns payment priorities
- Moving your own company to the top of the payment priority list
- Keeping the pressure up
- How not to clash with debtor's priorities
- Satisfying debtor's wants and needs

### Investigating Forms of Contract Security

- Suretyships, Liens and Pledges
- Notarial Bonds
- Cession of Books debts
- Bonds over Immovable Property
- Post Dated Cheques
- Acknowledgement of Debt
- Letters of Credit
- Landlords Hypothec

### The Laws Regarding Passing of Ownership and Risk

- The law regarding ownership
- Preventing ownership passing until the full purchase price has been paid

### When is Payment Said to be Legally Completed

- Conditions of Sale and when is payment said to be due
- The various methods of legal payment
- Payment in Full and Final Settlement
- Prescription: the relevant time frames and methods to prevent your debts from prescribing



## Course Programme Agenda

### Remedies Available to a Creditor to Recover Debt

- Conditions of Sale and when is payment said to be due
- The various methods of legal payment
- Payment in Full and Final Settlement
- Prescription: the relevant time frames and methods to prevent your debts from prescribing

### When to Negotiate, Arbitrate or Litigate

- How to go about negotiating payment
- The application of Arbitration to the collection process
- The Golden Rules to follow before litigation

### Preparing to Take the Case to Court

- Deciding when you should sue
- Understanding the legal process
- Effectively briefing the attorney
- Time and estimated legal cost structure to recover debt

### Debt Litigation - The Magistrates Court

- How to get a summons issued
- Obtaining a Default Judgement
- Procedures open to an attorney after summons
- Defended and Undefended Actions
- A flow chart of the litigation process
- Recession of Judgment

### Recovering Legal Costs and Interest

- Understanding the legal charges of an action
- Procedures to obtain a legal cost ruling
- Obtaining common-law interest
- Requesting Agreed Interest and Penalty Interest

### The Value of a Credit Bureau when Collecting Civil Debt

- How and when to utilise the services of a Credit Bureau
- Why Credit Bureaus can be a cheaper option to litigation
- The limits to a Credit Bureau's services

### Business Rescue in Terms of Chapter 6 of the New Companies Act

- Initiation of Business Rescue
- Commencement of the Process
- Meeting with Creditors
- The Business Rescue Plan
- Effect of the Plan on Creditors
- Effect of the Business Rescue Plan on:
  - Legal Proceedings
  - Property Dealings
  - Company Contracts

# Short Course Training Formats

We offer 2 Short Course Training Formats, to fit in with your staff development and upskilling objectives.



## Public Training

Public training is the ideal choice to develop a specific skill, and it gives employers the opportunity to pre-plan staff training in advance. Every month, we pre-schedule various short courses for the public.

\*Classroom training (Johannesburg only) and **Blended / Virtual Training** (nationwide) is available.



## Onsite / In-House Training

Have a **group of delegates** and want a tailored organisation-specific training solution? Onsite training is the perfect choice! We can customise your staff training to meet your organisation's needs on a date and at a venue that suits you.

\*Classroom training (nationwide) and **Blended / Virtual Training** (nationwide) is available.

Blended training is available on these popular platforms:



# Benefits of this Short Course

- Staff Acquire Vital Skills
- Increases Efficiency and Productivity
- Motivates and Empowers Staff
- Future-Proofs your Workforce's Abilities
- Immediate Impact on Job Performance
- Can lead towards a Competitive Advantage
- Can Count towards your B-BBEE Score
- Provides a Great Networking Opportunity

# Features of this Course

- Accessible from any Geographic Location
- Expert Facilitators
- Practical and Intensive Sessions
- Researched to Meet Workplace Demands
- Skills you can 'Plug-and-Play' into the Workplace

## CBM On-Demand Training when YOU need it!

No public training short course scheduled on a date when you need it most? No problem. With **CBM On-Demand** we can schedule any course you want, for as many delegates as you need, when YOU want to!

All you need to do to arrange your 'On-Demand' course is to get in touch with us on (011) 454 5505 or email [cassidy@cbm-training.co.za](mailto:cassidy@cbm-training.co.za). Let us know what your skills development requirements are and we will then arrange your On-Demand course, when YOU need it.



## Interested? Here's the Next Step



### SIGN UP NOW AND SECURE YOUR PLACE

1. [Click here](#) to register online.
2. Select the training methodology you prefer and the date you would like to attend.
3. Click "make a booking" and fill out the quick online registration form.
4. Choose your payment method to finalise the booking and pay via EFT or credit card.

OR

Click on the buttons below to get a cost estimate before booking.

Work out a Cost Estimate

Request a Quotation



### HAVE ANY QUESTIONS?

Our professional customer support team is eager to assist and provide you with comprehensive advice and recommend effective skills training solutions.

[Click here](#) to start a live chat with an agent *(available during business hours only)*.

Alternatively, call us on +27 (0)11 454 5505 or email [info@cbm-training.co.za](mailto:info@cbm-training.co.za).

## ACCREDITATION AND B-BBEE



CBM Training holds full institutional accreditation status with the Services SETA – accreditation number 0057.



CBM Training has a B-BBEE Level 2 certificate. We have been evaluated and audited by the BEE Verification Agency.

## GET IN TOUCH

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