

March 2010

## Buy 1, get 1 free

Do you have any outstanding debts that need tidying up before the end of the financial year? We'd like to say thank you to our clients for their business over the past financial year by offering a SPECIAL DEAL until 31st March 2010.

Send in two debts and it will only cost you the price of one. This offer applies to the upfront fee of \$57+gst. Commission still applies.

To get started, click here for the [Authority to Act](#) form.

## How do you find a debtor if they've moved?

Readers may remember that in April 2009 the CollectIT newsletter referred to service of Court Documents on Facebook. As this is an important development by the courts it is worthy of comment in more detail.

The term "service" describes an essential step in the court process where documents are supplied by one party to the opposing party. Normally a physical address is required.

The decision to allow "service" by Facebook was made in the Wellington High Court by Associate Judge Gendall on 16 March 2009 in the case of [Axe Market Gardens Ltd v Axe](#).

In that case Axe Market Gardens Ltd claimed that it's minority shareholder Craig Axe had taken \$241,000 from the company's account. It claimed that he had taken the money via internet banking while he was in England in several separate transactions.

Axe Market Gardens Ltd had difficulty locating Craig Axe. Craig Axe however had communicated via email and it was known he had a Facebook site.

In these circumstances the High Court ordered service of the court documents by Facebook and email. By doing this the court case could be progressed.

In making this order the High Court followed a decision of an Australian Court which had allowed service in this manner.

This type of service is called "substituted service", where service takes place in a way that is different from what normally occurs. To carry out service in a different manner requires the permission of the court, so a court application is required. In the High Court this is an application that should be made only as a last resort as it

## Case Study

John Smith provides lawnmowing services for Jane Brown, Jim Rolton and Fran Bell who are flatmates in Christchurch.

After some months John realises that 3 months worth of accounts have not been paid and he is owed \$300.

What can John do?

John should start collectIT's debtor management process.

At the conclusion of this process if John has not been paid he should file court proceedings against the flatmates in the Christchurch District Court following collectIT's forms and information.

As there are 3 flatmates, each flatmate must be listed separately as a defendant. In this case therefore there will be 3 defendants. Each flatmate must also be served with the documents when they are released by the Court.

[more case studies](#)

## Success Story

Main Construction NZ Ltd  
The collectIT system is brilliant!! It has saved us enormous amounts of time and money. Being in the building industry we have been searching for a low cost way to recover bad debts and slow payers. Debt collectors have cost us the earth, but with collectIT we are able to use their easy, no fuss, online system to recover our own debts following the

carries a court filing fee of \$600!! Despite this, it is an effective weapon for creditors who can be frustrated if their debtor has moved their physical location.

If you would like to peruse previous newsletters on the CollectIT website, [click here](#).

Until next time

don't write off debt... **collectIT**



Catherine Clark & Melanie O'Neill  
Directors



simple step by step system.

CollectIT also has brilliant customer service and phone numbers you can ring at any time you may get stuck, or just need to ask a question. We have recently just served our first court order using the construction contracts part of the website - it was easy and with the back up of calling the collectIT team, we couldn't go wrong. Thanks collectIT for making debt collection easy!

Lisa Gyde  
Ph: 07 850 9994

[more success stories](#)