



Legal Sense

Legal Sense (PTY) Ltd. is an Authorised Financial Services Provider
FSP No: 26702

LEGAL PROTECTION FOR YOUR BUSINESS

• Criminal • Civil • Labour • Contracts • Debt Collection

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PRODUCT DESCRIPTION

Under written by



RESOLUTION
insurance

PRODUCT DESCRIPTION

WHO AND WHAT IS LEGAL SENSE?

Legal Sense assists any business situated within South Africa's borders, regardless how big or small. As part of our cover, we will attend to any business related Labour, Criminal or Civil matter and other legally-related matters.

As a prospective client, **please note** it remains your responsibility to send us all your existing contracts and agreements once you have joined Legal Sense. We will not be able to represent you if a legal matter arises out of the above unless these documents have been perused and acknowledged by Legal Sense. This will also be applicable when :

- entering into new contracts and agreements while being a member;
- dismissing an employee and/or doing so without our advice – in which event, no legal representation will be granted.

WHAT DOES LEGAL SENSE OFFER?

Labour Related Matters

- Workplace Dispute Resolutions with Unions
- Compliance with the Labour Relations Act & Basic Conditions of Employment Act
- Basic Guide on UIF & Compensation for Occupational Injuries & Diseases Act
- Employee Contracts
- Written warnings, disciplinary hearings and CCMA matters
- HR Policies & Procedures
- Retrenchment Procedures
- Other labour related matters which affect the business

Agreements / Contracts

The drafting, perusing and revising of Contracts, such as

- General legal advice in respect of the new Consumer Protection Act.
- Purchase and Sale Agreements
- Lease and Rental Agreements
- Service Level Agreements
- General Terms and Conditions
- Customer and Supplier Agreements
- Employment Contracts
- Loan Agreements
- Acknowledgement of Debt

- Credit Applications and any other form of legally binding document
- Confidentiality and non disclosure agreements
- Franchise agreements

Debt Collection

Legal Sense works in association with Collection Sense. All debt collection matters must be sent through to Legal Sense and we will allocate them to Collection Sense. A mere 8% collection fee is charged **ONLY** on amounts that we recover successfully on your behalf (this includes down payments). We will advise you what documents we need in order to start the debt collection process, e.g. copy of the relevant invoice, etc. We will also advise you what terms and conditions of payment you should have in place in order to protect your business against bad debts.

A) Services covered under Debt Collection:

- Acknowledgements of Debt
- Payment plans.
- Letters of Demand & Final Letters of Demand.
- Blacklisting on ITC (this is only applicable if the amount is undisputed)
- Summons (this is only applicable if the amount is above R12 000)

B) Services we offer under Debt Collection for amounts less than R12 000:

- Even if the amount is less than R12 000, we will still be able to follow all the steps mentioned above in (A), except we will not issue summons. However, we will :
 - (i) refer you to one of our panel of attorneys at a pre-arranged discounted rate;
 - (ii) try to resolve the matter without the need of issuing summons.

C) Additional services also available – pay as you use: (should you require any of the services below, please note that we cannot add this to your monthly debit order. Payment must be made via an EFT / direct deposit only)

- Company Search
- Director Search
- CIPRO Documents
- ID verification
- Consumer profiles
- Company reports
- Consumer traces
- Deeds office search
- Property valuation reports
- Suburb valuation reports
- Retrieval of copies of court documents

General Legal Support

- Company Policies and Procedures
- Companies Act
- Trading Agreements
- HR Policies and Procedures
- Leave Policies - annual/sick/compassionate leave issues
- HIV Policies, Dress Code, Maternity and Smoking Policies
- Strategic legal input
- Legal Representation, etc.

Court Cases:

- An Excess Fee will be payable for Court matters as follows : 1 x premium for Magistrate Court, 2 x premiums for Regional Court and 3 x premiums for Labour & High Court.

THE PREMIUM – please note that the Premium is dependent on number of staff (full time and part time) or number of units if you are a letting agent.

PREMIUM BRACKETS:

Please note there is a **once off admin fee of R195** with your 1st debit, or it will be included in your invoice should you opt for the immediate cover option.

NUMBER OF UNITS / EMPLOYEES	Sole trader	2 to 10	11 to 30	31 to 50	51 to 100	101 to 150	151 to 200	201 to 250	251 to 300
PREMIUM PER MONTH	R300	R380	R550	R750	R1450	R2200	R2750	R3500	R4200

PLEASE NOTE THAT YOU HAVE 2 OPTIONS TO CHOOSE FROM WHEN SELECTING YOUR PRODUCT:

Option 1: IMMEDIATE COVER

Should you require us to help you immediately, we can do so. In order to avoid clients joining us, abusing our system and cancelling the policy a month later, we will require a minimum 3-month payment in advance including the once-off admin fee. **(Please consult with your sales consultant for a 12 month payment discount option)**

ADVANCED POLICY REQUIREMENTS

For the 3-month advance cover policies, a 3-month upfront payment must be paid, and the R195 admin fee, into the Legal Sense Account within 3 days of signing the policy application form, or on conclusion of the voice-recorded telesales transaction. Failure to make the aforementioned payment will result in the advance cover policy being converted into a normal cover policy and your first debit order will then be processed on the closest debit order collection date. Legal Sense currently process their debit orders on the 1st, 7th, 15th and the 20th of each month. Should your policy be converted into normal cover, you will not be entitled to immediate legal assistance and the standard waiting period and policy terms and conditions will apply.

Please note the following will apply:

- Should your debit order be unsuccessful (1st debit to go off month 4 of membership), your account will be tracked by Naedo for 3 days from your debit date.
- There is a once-off R195 administration fee which is payable together with the first debit order/premium.
- For prior legal matters and legal matters occurring within the first 90 days from the inception date of the policy; the policy holder will receive internal legal assistance and advice only and will not receive outsourced practitioners assistance.
- For debt collection claims, an 8% collection fee will be deducted from all amounts successfully collected on your behalf.
- External assistance will not be granted on debt collection amounts of less than R12000. Phone calls, letters of demand, negotiations and Blacklisting will still be done.
- Legal Sense reserves the right to increase your premium by 10% on the anniversary date of your policy.
- If your invoice is not paid within 3 days, your policy will automatically move to normal cover for the next available debit date.
- An excess fee will be payable for Court matters as follows : 1 x monthly premium for Magistrate Court, 2 x monthly premiums for Regional Court and 3 x monthly premiums for Labour & High Court.
- Legal Sense reserves the right to re-evaluate the risk and premiums depending on the nature of your business and claims experience at any given stage.

Option 2 : NORMAL COVER

Normal cover will suit clients who do not necessarily have immediate legal issues to resolve but who would like to become members in order to protect themselves against the risk of future legal issues and expenses.

Please note the following will apply:

- Telephonic legal advice is free and does not fall under the R250 000 limit of indemnity per year. Telephonic legal advice starts on receipt of your 1st successful debit order/payment.
- From your 2nd debit successful debit order onwards, you will qualify for internal assistance. Legal Sense has their own internal Legal Department and any general legal work the attorneys can do from there will be covered.
- Any matter that arises after your 3rd debit order AND after the end of that month (day 91 of membership onwards), will be fully covered. (Terms & Conditions apply as per the Legal Sense policy wording)
- There is a once-off R195 administration fee which will be deducted with the first debit order.
- Prior legal matters and legal matters occurring within the first 90 days will receive internal legal assistance and advice only and will not receive outsourced practitioners assistance.
- Should your debit order be unsuccessful, your account will be tracked by Naedo for 3 days from your debit date.
- An 8% collection fee is deducted from all successful debt collecting matters.
- Summons will not be issued for debtors' amounts of less than R12 000. Phone calls, Letters of Demand, negotiations of down payments and Blacklisting will still be done.
- An excess fee will be payable for Court matters as follows : 1 x monthly premium for Magistrate Court, 2 x monthly premiums for Regional Court and 3 x monthly premiums for Labour & High Court.

WHO CARRIES THE RISK?

The above product is underwritten by Resolution Insurance Company Limited who acts as the ultimate risk carrier in terms of the policy.

UNPAID DEBIT ORDERS:

- If a client's debit order is unpaid and the policy holder does not make a cash payment for the month within 15 days from the debit date, the client's 90 days' waiting period will revert back to zero.
- Legal Sense will also send the client a SMS to inform them of the premium that was returned unpaid, together with our bank details, the amount due and the policy number, which MUST be used as the reference.
- Should your debit order be unsuccessful, your account will be tracked by Naedo for 3 days from your debit date.

- Should Legal Sense feel that the client is a high risk client who submits claims on a regular basis, we reserve the right to ask for a payment to cover the premium for a couple of months in advance (the number of months will be calculated based on your payment history as well as the type and number of claims you have submitted).

LEGAL ADVICE PROCEDURE – FOR MEMBERS ONLY

For Legal Advice please phone **0861 573 673** and this is also the number to use for **after-hours advice (emergencies only)**.

LEGAL CLAIMS PROCEDURE (legal assistance)

Once you have joined Legal Sense, you will receive your documentation via e-mail, fax or post. This will include :

- Your Welcome Letter and Schedule of Insurance
- Claims Procedure forms
- Policy Wording

WHAT MUST YOU REMEMBER?

- The 2 types of cover namely Normal & Immediate Cover.
- To sign both pages of the 2-page application form.
- To keep your premiums up to date and inform Legal Sense should there be any company or bank detail changes.
- Legal Sense reserves the right to re-evaluate the risk and premiums depending on the nature of your business and claims experience at any given stage.
- Your account will be tracked by Naedo for 3 days from your preferred debit date should your debit come back as unmet.
- Legal Sense reserves the right to increase your premium by 10% on the anniversary date of your policy
- An excess fee will be payable for court matters as follows: 1 x monthly premium for Magistrate Court, 2 x monthly premiums for Regional Court and 3 x monthly premium for Labour & High Court.