Integrated **credit protection** services

COMAS®

00 FROM INSOLVENCY PREVENTION TO EFFECTIVE DEBT RECOVERY

The currently changing and turbulent state of the global economy has given rise to new challenges facing businesses. An increasingly competitive business environment, coupled with the global downturn, has resulted in many companies seeking to delay payment or to make payment by way of instalments. This, in turn, has left suppliers of goods or services exposed to increased economic risk. Indeed, many are facing significant difficulty in obtaining payment. The resulting losses of income have major and long-term implications for the liquidity and profitability of their businesses. The damage inflicted (as demonstrated by the large number of businesses closing their doors) can be fatal. Correct **Credit Management** can go a long way to tackling and significantly reducing the level of exposure to commercial risk. The problems are essentially tackled on two fronts:

- **Pre-contractual preventative action** aimed at avoiding, or at least reducing, the risk of insolvency by the evaluation of the financial profile of new customers prior to the conclusion of any commercial transaction;
- **Rapid Debt Recovery** enforcement action where the debtor is found to be insolvent;

Comas, a leader in the field of Credit Protection, offers a spectrum of valid solutions to problems commonly encountered in the business world, from **Insolvency Prevention to effective Debt Recovery**.

01 INSOLVENCY RISK PREVENTION

With Comas' informative services, it is possible to verify accurately the degree of solvency (and therefore financial reliability) of a business and its economic-financial structure, with searches extended to cover physical as well as legal persons.

Find out if your customer is solvent in just seconds.

...the majority of informative services are supplied in real time over the internet...

The vast majority of informative services are supplied in real time over the internet. The data contained are updated when the request is carried out, as they are extracted simultaneously from the various official public sources. The following are some examples of the information provided:

Chambers of Commerce, Courts and Land Register Useful for verifying the legal structure of a business, checking the presence of protests, prejudicial events and bankruptcy proceedings, including those against the company representatives, members or legal representatives;

Digital and Synthetic Balance Sheets with indexing and comparison (last three years) To analyse the economic-financial situation of joint stock companies;

Company Report - Available in two formats (standard and analytical), these aggregate official data taken from public sources. A synthetic indicator is applied to the information, which then automatically generates a reliability indicator relative to the business under examination;

Individual Report - To verify the presence of protests and/or prejudicial events against a subject and to list businesses in which the individual figures as holding office or company shares;

Identifies Real Estate owned by a subject - With just a single nationwide search, it is possible to identify Real Estate owned by the subject searched against;

Risk Press - Verifies the presence of press articles containing news of an economic nature relating to the business/individual searched against. Based on the daily consultation of about **150 national newspapers** and local editions;

In-depth information for important decisions.

In-depth information for important decisions... Advanced level informative services, which integrate... official and unofficial data... Through meticulous intelligence activity.

Comas is able to supply advanced-level informative services. These integrate official data (gathered from by Public Sources) with unofficial data from external sources and local correspondents, obtained through meticulous intelligence activity by highly-qualified personnel.

Business Information on Italian companies - Available in standard and analytical formats, these indicate the degree of reliability of a business and the maximum credit limit recommended;

Business information on companies worldwide - Contains all the legal and economic-financial news - content variable in accordance with information available in the Country where the company is located.

Personalised commercial information - The client decides, on the basis of his own specific requirements, which data he wants to obtain in an informative report;
Real Estate Searches - Make it possible to identify accurately the real estate portfolio of a subject, together with notification of any liens and encumbrances, such as mortgage, seizure/attachment, Court Summons etc.
Comas' experience matured in over thirty years of business demonstrates that the 'pre-contractual' assessment of a client's solvency should not be considered exhausted in the 'pre-contractual' phase; it is necessary to keep economic-patrimonial conditions under constant observation and to register any significant changes. It is possible to receive e-mail alerts of events, both voluntary in nature and prejudicial, which are revealed in relation to a given subject, through the **Monitoring Service**.

The client is solvent today, but tomorrow...?

It is necessary... To keep the economic/patrimonial conditions under observation... through the monitoring service...

02 EVALUATE THE CHANCES OF RECOVERY

Prior to pursuing Debt Recovery through the Courts, it is essential to undertake an accurate preliminary assessment of the patrimonial and financial situation of the debtor. Undertaking an advance evaluation of the debtor's portfolio of real estate, moveables and sources of income constitutes the best guarantee for raising Court-based debt recovery action with serious chances of success - thus justifying the outlay of time and money (in a successful Court Action, the debtor will almost always be held liable for the creditor's reasonable legal expenses).
Comas is able to offer specific services in this regard, the majority of which are supplied on-line:

Evaluate the chances of recovering a debt

... a pre-requisite for initiating well-founded Legal Action for Debt Recovery; based upon the preliminary assessment of the debtor's patrimonial situation ...

Credit Recovery Report - An aggregated report which gives you information in seconds on the economic-financial situation of a debtor;
Special Information for Debt Recovery - Integrates news revealed from public sources with unofficial confidential information, which also makes it possible to verify the traceability, sources of income, economic-financial and patrimonial situation of a debtor;
Debtor Tracing - To reveal the current Registry address of a subject and verify his 'real' residence;
Identification of real estate owned - With a single search, carried out nationwide in just minutes, it is possible to identify any real estate held in the debtor's name;
Verification of motor vehicles held - To identify nationwide any motor vehicles owned by the subject searched against;

CLEAR, EASY-TO-READ INFORMATION: GIVING YOU THE POWER TO MAKE INFORMED DECISIONS .... IMMEDIATELY

The data contained in each informative report is essential and distributed in a coherent manner to facilitate interpretation and quick decision-making. This is invaluable where it is necessary to evaluate the granting of credit to a potential client (even when he is sitting in front of you) or the cost-effectiveness of proceeding with Debt Recovery procedures against a debtor.

03

EFFECTIVE DEBT RECOVERY

Comas undertakes Debt Recovery both in the Extra-judicial and Judicial phases, in Italy and worldwide, using an operative methodology aimed at eliminating problems traditionally associated with debt recovery.

"EXTRA-JUDICIAL PHASE"

Professionalism, promptness and, above all, the use of qualified personnel who are constantly updated and trained, allows Comas to obtain elevated performance in Debt Recovery. Thanks also to the support of an in-house investigative structure, Comas is able to provide a wealth of information on traceability and verification of the debtor's economic-patrimonial condition. Where recovery is not achieved in the 'Extra-judicial' phase, Comas can objectively evaluate the merits of escalating to Court Action and will advise the client accordingly. This is only envisaged in cases where the debtor is in a condition financially to repay the outstanding sum.

Extra-judicial phase

... professional intervention by qualified collectors
... safeguards the creditor's image and good business name

Operational methodology:

The Extra-judicial phase of Debt Recovery is based principally on the following:

- Speed of intervention and logical co-ordination in the sequence of attempts at Debt Recovery finalised in focusing the debtor on settlement of the debt (where possible, on an amicable basis);
- Employment of qualified personnel, equipped with an adequate legal and accountancy knowledge - indispensable in combating attempts by the debtor to evade payment;
- Use of an in-house investigative structure for the gathering of information regarding the debtor;

Briefly, the advantages:

- Over 30 years experience in the Debt Recovery field
- Professional interventions carried out by nominated collectors
- Safeguards the image and good name of the client
- Rapid settlement of Debt Collection cases entrusted to us
- Possibility of tax benefits through 'writing-off' bad debts
- Savings on legal costs, where Court Action for recovery is envisaged

EXAMPLE OF PRE-COURT PHASE OF DEBT COLLECTION

1st OFFICIAL REMINDER written communication demanding payment within 7 days **he does not pay**	7 DAYS	the debtor pays
TELEPHONE REMINDER Further reminder to the debtor **he does not pay**	10 DAYS	the debtor pays
AGENT INTERVENTION Attempt at debt collection in person by local agent in charge **he does not pay**	20 DAYS	the debtor pays
2nd OFFICIAL REMINDER Granting of final opportunity to pay, with notice of passing matter to LEGAL FIRM to raise court proceedings **he does not pay**	25 DAYS	the debtor pays
LEGAL NOTICE Intimation made by the LEGAL FIRM of expiry of payment term and of initiation of "LEGAL PROCEEDINGS" **he does not pay**	35 DAYS	the debtor pays
INTERVENTION REPORT The client is informed about the reasons which have determinated an unsuccessful outcome as regards debt collection. There is an immediate proposal to carry out economic/patrimonial checks to evaluate the utility of proceeding with legal action against the debtor.	45 DAYS	Pre-court phase closes INITIATE LEGAL PROCEEDINGS

DEBT RECOVERY "JUDICIAL PHASE"

One of the pre-requisites for successful and focused Court Action for Debt Recovery is the possession of advance knowledge regarding the debtor's economic and patrimonial situation. Only with this information to hand can the Creditor have any guarantee that the Debtor is in a position financially to pay off the debt.

Where - after having conducted the necessary enquiries - it transpires that the debtor possesses no property which can reasonably be attached, Comas will advise the Creditor that Court Action for Debt Recovery is not economically viable. It goes without saying that, where Court Action is unsuccessful, the creditor will remain saddled not only with the unpaid debt but also with the additional financial burden of legal fees, court dues and the like. There is a minority of cases (usually of high value) where Court Action is worthwhile notwithstanding an unsuccessful outcome, as it will allow the Creditor to 'write-off' the debt. If, however, from the checks carried out, it appears that the debtor possesses sufficient property to extinguish the debt, then Comas will recommend that the Creditor consider raising Court Action for Debt Recovery. In order to keep a track of costs, Comas will always provide an estimate of the expenses involved, timescale and the probability of success of the procedure. Court Action pursued through our group of affiliated Lawyers will be offered at advantageous rates. The lawyers belonging to our affiliated group are carefully selected and are experts in the field of Debt Recovery Litigation.

Debt recovery judicial phase

...the coordination of the Extra-judicial and Judicial recovery... offering the possibility of focused actions... Litigation only where reasonable certainty that debtor has means to repay...

In substance, the co-ordination of the Extra-judicial and Judicial phases offers the chance to initiate only selected actions: to raise legal action only where there is a reasonable certainty that the debtor has the means to pay the debt.

This important aspect is often overlooked where an isolated legal action for debt recovery is envisaged: even the most conscientious and technically-accomplished lawyer will be faced with difficulties in researching adequately the debtor's patrimonial profile prior to issuing proceedings. This is for a wide range of reasons: Debt Recovery is only one of his/her many areas of practice and it is rare that he/she will have in-house access to comprehensive commercial information. Secondly, he/she will inevitably lack an integrated investigative structure. Both of these aspects are fundamental in order to evaluate accurately whether or not Court Action is economically viable. The result is that many Court Actions are pursued 'blind', without any realistic chances of recovery, the additional costs of which will have to be met by the Creditor - in addition to the debt which is not recovered. Indeed, many of Comas' clients are in fact lawyers, who have found that integrating selected Comas Services greatly enhances the Debt Recovery packages that they offer to their clients.

INTERNATIONAL DEBT RECOVERY

Comas can offer a qualitative International Debt Recovery Service, through a consolidated network of qualified partner firms worldwide - both as regards the recovery process itself and for the search for patrimonial information on the debtor, should it be necessary to evaluate the cost-effectiveness of initiating Court action for debt recovery.

International debt recovery

Comas can offer qualitative International Debt Recovery Services, relying upon a consolidated network of qualified partner firms...

WHO ARE WE?

Comas started out in 1976 as an investigative agency, subsequently specialising in the supply of commercial information aimed at prevention and of Credit Protection.

In 1990, the structure of the Company was expanded, and Extra-judicial Debt Recovery added to the portfolio of services - both in Italy and worldwide.

In 1999, Comas initiated the on-line supply of the majority of its informative services, through its website.

Today, Comas can offer valid solutions to economic problems commonly encountered in the business world - with particular reference to Credit Protection.

CSQ SINCERT IQNet

COMPANY CERTIFIED UNI EN ISO 9001:2000

QUALITY SYSTEMS: A GUARANTEE FOR THE CLIENT

Comas operates though verification and control procedures covering our entire organisational and productive structure. Our aim: continuously improving quality, in order to ensure services which meet our clients' high expectations.
The quality systems are in line with international standards UNI EN ISO 9001:2000

COMAS®

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