



Diversified Recovery Systems, Inc.

Receivables Management for Now and the Future!!

5150 Highway 22 Ste A-5
Mandeville, La 70471

Valued Potential Client:

We want to thank you for taking and interest in our valued services and certainly look forward to partnering you as a valued client!

Warmest Regards,

Bryant Brumfield – CEO and President

Paul Boyce – Operations Manager



Who We Are and What We Can Do For You!

Diversified Recovery Systems, Inc. (DRS) is a LAMBC/NMSDC certified company that provides full service commercial (business to business) collections both nationally as well as internationally. With over 70 years of industry experience, DRS has already made an impact in the industry in a very short time. We don't merely have collectors; we employ fraud investigators as well as private investigators to ensure that we recover our clients' money with speed and professionalism. We remit debtor specific rather than client specific. This means that we remit to our clients weekly on each debtor payment that has cleared the bank rather than just a monthly client remittance. Not only do we understand that there are many kinds of debt and therefore several different approaches, but similarly, specific debtors may need to be handled differently. This means that we work hand in hand with our clients on a wide range of collection approaches so our clients can be debt specific on the approach rather than just blanket hard or soft.

Some key points of interest:

1/ our reduced marketing overhead allows us to focus on the resources that are important to your bottom line – collections and not sales

- we are structured around collection results rather than a large marketing strategies
- we spend money on collection resources rather than marketing resources
- most of our clients have been earned through referrals rather than direct marketing

2/ as our Client, you will be able to review, place and notate any accounts we are working by direct online access

3/ we have importing and exporting capabilities.

4/ we are willing to offer a tiered contingency structure rather than just a standardized straight contingency **

5/ we are willing to offer reduced rate letter series and/or processes (including pre-collection letters)***

6/ we remit on a weekly cycle rather than the industry standard of thirty to forty-five days.

7/ Industry specific collectors (collectors that work one industry or one client will have a greater rate of return)

8/ we are a moderate sized commercial collection agency

- this again reduces our overhead which in turn passes our savings on to You, as our Client
- this enables better one-one management and training of our employees and in turn directly effects our quality
- this enables us to give better attention to You, as our Client
- this allows us to better tailor our services to You, as our Client's needs and wants
- this means that You, as our Client, would be a core client

Some additional Bullet Points that should definitely be considered can be found at: <http://collect-now.com/presentation/>

** Typically rates are tiered when placed by age of account prior to placement and/or balance of placement. We are experienced and willing to extend tiers based on periods of time that it takes us to collect the account, extending additional cost savings to you, as our Client.

*** we can set up and offer several collection letter strategies that would be tailored to your needs. An example of this may be to send out pre-collection letters allowing your customer to pay within a certain timeframe with a reduced rate extended to you, as our Client, if the customer pays within that specified timeframe.

Worldwide Commercial Collections

Diversified Recovery Systems is dedicated to customizing every aspect of the relationship with our clients. We understand that not all debtors should be treated the same. We recognize that there are always going to be special circumstances or sensitive situations that might call for a variety of collection approaches.

Because of these considerations, we have developed a range of attitude codes that vary the approaches that we take with your debtors. To choose which approach is appropriate for your debtors see below attitude options.

Audit Approach

- We contact your slow paying customers as a receivable auditing company and not as a collection agency. Lets recapture them as a current paying customer

Moderate Collections

- Collection Agency calls and letters with the option of hiring a local Fraud Investigator in your debtor's area.

DRS's Aggressive IRP (Investigative Recovery Program) Way

- Our Standard Approach incorporates the use of Private Investigators and our nationwide network of Attorneys as well as our Investigative Recovery Program. Taking advantage of the contacts, sources and experience of our 10+ year veteran collectors

Investigative Recovery Program

This comprehensive program was designed to resolve late stage delinquency when your debtors refuse to pay... or claim that they are unable to pay.

Representing the state-of-the-art in collections methodology, Diversified's approach to commercial collections combines a contact-intensive work standard with **jurisdictional asset & liability profiling** to create a truly complete picture of your debtor's ability to pay their bill with tactics to motivate them to do so.

Components of this program include:

- **Contact with Government entities** provides factual information to determine who the real players are and legal statuses.
- **Preliminary Civil Records Searches** provide information provides a factual picture of what your debtor/client is really doing in the marketplace.
- **Local Field Investigators** provide the ability to make face-to-face contact with your debtor when necessary to generate payment.
- **Local Attorney Contact** "brings the battle home" to your debtor by eliminating any feeling of geographical separation.
- **Subscription-based Internet Tools** provide further information gathering abilities which are then incorporated into the process.

Credit Services Programs and Reports

Why Use A Collection Agency If You Do Not Need To?!

Not only do we take our collection procedures seriously in an effort to recover your hard earned money we also think it is serious to assist you in preventing this from happening again. We offer a wide range of Credit Services that are currently being employed by both home businesses and fortune companies to provide them valuable information on the front side of their business dealings to minimize their exposure to bad debt. These are the same reports ordered by banks and factoring companies as well being employed in merger and acquisition processes. Credit services tools are also used by some of our clients to reassess their ongoing relationships as well as planning new courses of action on unpaid judgments or large debts.

- **Pre/Post Litigation Report:** Public Records/ Confirm Address and Employment If Possible
- **Basic Asset And Liability Investigation Report:** Bankruptcy Searches/ General Information (Residence and Business Affiliations)/ Company Ownership, Business History and Operation/ Corporate Records/ UCC Financing Statements/ Real Property Searches/ Civil Records (State and Federal)/ Tax Liens and Judgments/ Credit and Banking Relationships/ Business or Consumer Credit Bureau/ US Patriot Act Search
- **Comprehensive Asset Investigation:** All items that are in the Basic Asset And Liability Investigation Report plus the following: Verification of Current Mortgages/ Verify Current Market Value or Tax Assessors Value of Real Property/ Search for DBAs and Provide A Narrative of The Viability of The Business/ Search Federal Aviation Records/ Search US Coast Guard Records/ Search for Liquid Assets/ Search for Equities In Real Property
- **“Deep Skin Search”:** Investigations for Pre-Lending / Underwriting / Mergers and Acquisitions / Corporate Investigations / Fraud Prevention and Detection: As is applicable, items from the Comprehensive Asset Investigation as well as: Nation Wide Media Searches/ Officer and Director Cross Index Search (State of Domicile)/ Other Business Affiliations/ Nation Wide Lexus Search/ Department of Motor Vehicles (DWI and Arrests Where Available)/ Regulatory Sanctions Search/ Employment Verification/ Education & Professional Licensing Verification
- **Special Reports:**
 - 1/ Bank, Stocks, Bonds and Broker Accounts Reports
 - 2/ Background Investigations/ Employment
 - 3/ Criminal Investigation

*** Because we understand that not every clients needs are the same and we tailor all of our reports around our clients needs, there is no way to have cookie cutter reports and therefore standardized report values and pricing. Reports typically start at \$150.00 and go up from there. Please refer them to our Credit Services Director for an accurate quote: Roxanne Melerine.*

Warning Signs and Red Flags

Identify Potential Problems Before They Become A Serious Collection Problem

Part of protecting your receivable(s) is understanding some key indicators that a problem may be surfacing. Here are some of those indicators. Identifying them will allow you an opportunity to investigate and rectify them before it is too late.

- Are there drastic changes in their buying or ordering habits (a big order is always enticing but be weary of a sudden, out of the blue, large order)?
- Do they suddenly want a change in net terms or are they requesting credit when they have always been COD?
- Did they conveniently not pay for a COD, but still took delivery?
- Have they written checks that have not been honored (do not believe that their bank messed up. This is a common excuse)?
- Are there sudden disputes (common groundwork for short-pay, slow-pay or no-pay)?
- Sudden changes in addresses (make sure they are not planning to vanish by setting up a “drop box”)?
- Are they stating that they are about to have a merger or buy-out (quite often the purchasing, merging or acquiring company only plans to do a pro-rated or asset purchase and unsecured creditors quite often do not end up getting made whole)?
- Has there been a sudden change in management or leadership (quite often this indicates impending doom such as in the case of Enron)?
- Have any judgments or liens been filed against them?
- Do they have any pending lawsuits (even if they are plaintiff in a lawsuit, it could mean trouble. It is a common ploy to file suit against a creditor claiming a dispute if they know the creditor is preparing to sue them. This maintains their credit appearance when they are really at fault)?
- Have they received any regulatory complaints, sanctions or penalties?
- Are they behind on their taxes?
- Are they having inventory control problems?
- Have their sales or earnings declined?
- Have their sales dramatically increased (this may appear to be a good thing, but if it is too much too quick they quite often start “robbing Peter to pay Paul” in order to fill these sales orders)?
- What’s happening in their industry? Is it positive or Negative?
- If it is a privately owned firm, with aging management/ownership, is there a succession in place? Is their life insurance in place to cover payables?
- Has there been or are there any plans to lay employees off?
- How much of their credit line has been used up?
- What is their historical cash flow (it may be common for a landscaper to be short on cash in the winter but it better not be at the end of spring)?
- Is the debtor selling off assets and if so which ones and why?

Let us help you by helping you identify, investigate and rectify any problems before they become too serious.