

CHECKLIST

DEBT PREVENTION & RECOVERY

(TO BE USED BEFORE, DURING AND AFTER THE RECOVERY PROCESS)

BEFORE ANY UNPAID INVOICE: PREVENT RATHER THAN CURE

- ☐ **Secure your contracts:** specify payment terms, late penalties, applicable law, and competent jurisdiction.
- ☐ **Check your clients:** review their credit history and update client files regularly, at least once a year.
- ☐ **Invoice regularly and without delay:** the sooner the invoice is sent, the sooner it will be paid.
- ☐ **Keep all evidence:** signed quotes, purchase orders, delivery notes, email exchanges, delivery confirmations, reminders, formal notices, and acknowledgments of receipt.
- ☐ **Automate your reminders:** schedule follow-ups at D+10, D+30, and D+45 with personalized tracking.

AT THE FIRST DELAY: ACT QUICKLY AND STAY IN CONTROL

- ☐ **Follow up methodically:** start with a courteous reminder, then move to a written and dated formal notice, with proof of sending and receipt.
- ☐ **Keep a record:** archive all exchanges (paper and/or electronic). They will be useful as evidence if the process becomes judicial.
- ☐ **Mention interest and the fixed compensation fee:** this strengthens the credibility of your approach.
- ☐ **Don't let time work against you:** Check the applicable limitation period (between 30 years and 6 months depending on the nature of the claim).

IF PAYMENT STILL DOESN'T COME: MOVE TO THE NEXT LEVEL

- ☐ **Assess the cost/benefit ratio:** a lawyer can help you choose the most effective course depending on the amount and the strength of your file.
- ☐ **Consider a payment order procedure:** fast, simple, and suited to uncontested claims.
- ☐ **Prepare your file:** contract, invoices, delivery proofs, communications, formal notice with acknowledgment of receipt.
- ☐ **Act before the end of the limitation period:** legal action interrupts the period and protects your rights.
- ☐ **Think globally:** for foreign debtors, use a firm able to handle cross-border matters.

POST-RECOVERY: LEVERAGE THE LESSONS LEARNED

- ☐ **Analyze your average payment times** to identify at-risk clients.
- ☐ **Regularly update your general terms and conditions** based on lessons learned from past disputes.
- ☐ **Set up internal alerts** for clients with recurring delays.
- ☐ **Improve communication** between finance, sales, and legal departments: **prevention often arises from coordination.**
- ☐ **Keep the "anticipation mindset":** regular guidance from your lawyer secures your client portfolio.

IN SUMMARY

Document everything, act quickly, and stay in control consistently.

The key to successful debt recovery is consistency and preparation.

A late payment handled methodically becomes a signal for improvement, not a loss.