

Productive
corporate
debt collection



Martini, Hughes & Grossman is the leading Forensic collection firm, both domestic and internationally.

We maintain a 48% collection yield compared to the national average of 17%.

*Based on Accounts placed under 365 days from oldest invoice. See chart below!

Martini, Hughes & Grossman Forensic Collections Key Elements:

Nearly all collection agencies provide the same services; but what makes Martini, Hughes & Grossman different is that we utilize certified fraud examiners to “skip trace & asset search debtors.” We do the foot work to get our clients PAID and only licensed certified fraud examiners can pull anti-fraud information. This allows us to locate debtor’s whereabouts; as well as the assets they try and hide and if we can find them, we can attempt to collect from them and bring you the positive closure you deserve!

- We are founded by a Judge & Certified Fraud Examiner (Anti -Fraud)
- 11 year “**A+**” Rating with BBB - [MHG - BBB](#)
- We pay/remittance our clients on the 25th of every month; no exceptions.
- Status Reports are sent to all clients on 1st and 15th day of each month.
- 98% Client retention
- We specialize in accounts deemed uncollectible by other agencies (2nd Placements) & write offs as back as 3 yrs.
- We work on a contingency basis; we do not get paid unless we collect!
- Domestic and International Collections.
- We also have English, Spanish, Portuguese, French and German speaking collectors on staff.

Unlike most collection agencies, Martini, Hughes & Grossman has an in house legal department with the senior partner being a 35-year veteran **JUDGE/ ATTORNEY**. MHG also offers a debtor awareness program as part of the Martini, Hughes and Grossman service. This service lists all adverse filings on all U.S. companies including liens, lawsuits, judgments and UCC filings and is updated weekly through the law office.

Martini, Hughes and Grossman has the ability to customize our clients specific needs by showing up as an “Accounting Firm” on sensitive issues and ultimately eliminates having to sever the business relationships. We call it the “**Soft-Audit-Approach**” and we portray ourselves as your accounting firm in order to maintain and grow your relationship while collecting on the past due receivables.

Martini, Hughes & Grossman

“Forensic Collections Specialist”

Ph: 1-561-665-7794 ext: 101 Fax: 1-561-807-0818



INVESTIGATION TECHNIQUES

Unmatched arsenal of Forensic collection “investigation techniques” are utilized to monitor and research corporate debtors financial activity, including:

- | | |
|--------------------------|-------------------------------|
| 1) Computer Surveillance | 2) Public Record Searches |
| 3) Electronic Research | 4) Law Office Database Access |

FAST TRACK COLLECTIONS

Martini, Hughes & Grossman utilizes a network of private investigators and certified fraud examiners to conduct in-depth asset and liability investigations on delinquent companies. Investigators will contact debtor’s bank officers, employees, key vendors and suppliers to get an accurate financial profile of the business. The Secretary of State will also be contacted to verify the corporate status of the delinquent company as well as all tax-affiliated state offices. Investigators will also check with the Tax Assessor’s office to search for all real property and assets. Fast-Track results speak for themselves in terms of recovering delinquent receivables in the most efficient and cost effective manner.

SERVICES

MHG has extensive corporate debt recovery experience that enables us to catalog the different categories of corporate debtors. The forensic account management techniques we employ enable MHG to maintain the highest yield/return for our clients.

- | | | |
|------------------------|--------------------------------|------------------------------|
| 1) Background Profiles | 2) Minimize Exposure to Losses | 3) Debrief on Account Status |
|------------------------|--------------------------------|------------------------------|

OPTIONAL LEGAL SERVICES

Legal Accounts: Contingency based, client only pays up front court costs (Typically \$775.00) . When desired by our clients, reports on account activity are made to corporate credit bureaus.

CONCLUSION

In today’s business environment, fast and effective recovery of past due receivables is critical to lowering a companies DSO. Cash flow is a company’s most valuable asset so it makes sense to entrust it to collection professionals. Our expertise and professionalism deliver the results our clients expect, without compromising current business relationships.

Martini, Hughes & Grossman is prepared to go head to head against any collection firm. We will be candid and state that we have the ability to DOUBLE the yield of the best collection firms due to our State of the Art Forensic Collection Approach. We look forward to EARNING the right to do business with you and your company and we are confident enough in our results that we will do all your collections on a “Contingency Basis.” So the next time an account receivable problem arises, call the forensic collection experts of Martini, Hughes & Grossman

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Martini, Hughes & Grossman

“The Forensic Collection Specialists”

SCHEDULE OF FEES:

Our Collection fees are assessed only when funds are collected. Clients with exceptional large account balances or High annual dollar volume may require an independent fee structure.

Collection Fees:

Age of Account When Placed	Volume Discounts Available Upon Request
1 to 90 days (3 months)	20%
90 to 365 days (up to one year)	25%
1 year and over	35%
2 year and over	50%
International Accounts	35-50%
Second Placements	50%
Accounts under \$1000.00	50%
Legal Accounts	40%
Returned Merchandise	Half of Normal Fee
Cancellation Fee	Normal fee on Promised Accounts
Cancellation Fee	Half of Normal Fee on Active Accounts

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Our Guide to Improving Collection Procedures

1. Don't assume that accounts know your credit policy

While there are usually established trade practices in every industry, it is sometimes the differences that make customers choose one supplier over another. So it is important that your accounts know what your credit policy is, to eliminate misunderstandings.

2. Know your customer – individually

At the start of each business relationship, build credit files on your customers. No company should extend credit without ascertaining reliability. In the event, however, those records have shown an account's payments to be irregular, it is advisable to keep that account under close scrutiny; with immediate follow-up should payment be unusually slow. If the customer is a valued one of long standing, he demands extra consideration.

3. Keep your credit records current

Changing market conditions and management can abruptly alter the course of a company's health and conduct. So it is wise to keep abreast of trade reports pertaining to specific companies.

4. In periods of concern, tighten your collection procedures

If business conditions are uncertain, it is time to review your collection procedures. You can't guard against unforeseen events, but you can minimize your company's chance of loss by adherence to your policies. Start by revising your collection letters, making them stronger and more action compelling.

5. Try to discourage extended payment terms

Screen requests for extended payment terms carefully and try to get your sales department to discourage these requests. Too many endanger your company's cash flow position and lead to undesirable precedents in accounts relationships as well.

6. Pursue partial payment with request for balance

Generally, customers figure that by making partial payments, they will "get the heat off them." While such payments do show good faith and part is better than none – they should not slow your efforts to collect the complete outstanding balance. The best practice is to acknowledge partial payments promptly - and follow-up with communication to accelerate payment of the remainder.

7. Shorten your collection schedule

Cut the time after an account's due date by shortening the period from that date for continued extension of credit privileges. This "shock treatment" transmitted to a principal can sometimes exert needed leverage on accounts, particularly those who rely heavily on the supplies or services your company provides.

8. Keep your lines of communication open

While talking, there's still hope. But make sure you're getting through to the right person at your account – the decision maker.

9. Try to resolve disputed matters quickly

If the basis of non-payment is a dispute over quality of merchandise or service, price, or delivery, a mutually agreeable settlement should be arrived at promptly. The customer may use a minor dispute to withhold a substantial payment. Insist that the undisputed portion be paid immediately, and that the balance will be negotiated.

10. What to do when all else has failed

Your judgment will tell you when you have exhausted all means at your disposal to negotiate a satisfactory payment, while maintaining the account as a customer. At this point you can take positive action by referring the account as a customer. At this point you can take positive action by referring the account to a professional collector, one who is a Commercial Collection Agency Section member.

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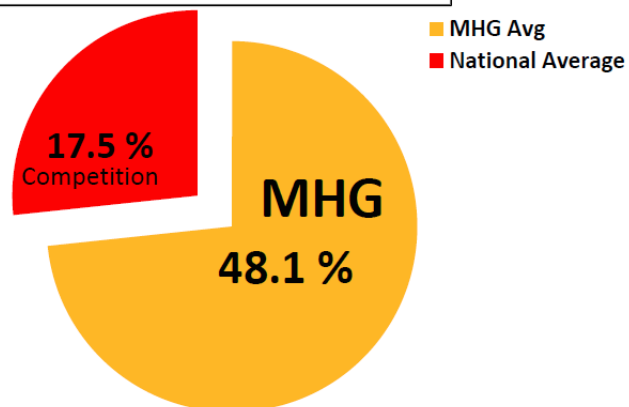
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When to employ Martini, Hughes & Grossman:

1. When a debt is 90-120 days delinquent.
2. When a customer demonstrates bad faith and loses credibility.
3. When costs of continued efforts do not justify further time investment.
4. When a customer discloses financial difficulty.
5. When a customer is ignoring your calls.
6. When a customer is lying to you.
7. When a customer is ignoring a 10-day final demand.
8. When a customer is falsely claiming defective products or services.
9. When a customer threatens bankruptcy.
10. When a customer is passing NSF checks.
11. When a customer is making partial remittance.
12. When a customer starts skipping payments.
13. When a customer refuses to sign a personal guarantee.
14. When a competitor is calling you for a credit.

National Commercial Collection Industry Debt Recovery Average



Results may vary upon account types. MHG data based on commercial cccounts placed under 365 days from oldest invoice!

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