

Law Firm Feinen D-50677 Cologne Germany

Debt Collection in Germany

Thank you very much for your inquiry. We would appreciate to assist your company in collection of debts in Germany.

We offer our services free of charge in out-of-court proceedings (no cure, no pay). Therefore client's have no risk in fees and costs in prelegal proceedings (out of court). In case of success we charge for a small contingent fee mentioned in our e-mail.

The advantage of our services as a Law Firm is that all proceedings, out of court, court proceedings and execution (enforcement) proceedings are in one single hand.

Our Law Firm is specialized in collecting debts for foreign companies (especially Europe, USA and Asia) in Germany. We offer service in all areas of civil and commercial law and have been working with numerous international companies for more than 20 years.

Please send us the relevant documents (invoices, contract, orders, agreement) by e-mail to commence proceedings.

Course of proceedings/Our conditions:

We would appreciate to co-operate with your company by the following terms:

- no retainer fees (fees in advance) in prelegal proceedings (out-of court),
- In case of success in collection we charge for a contingent fee on the payment of the debtor, no additional fees in prelegal proceedings,
- the contingent fee is mentioned in a seperate e-mail, special rates upon your request, especially in case we take over the accounts receivable of the client.
- Legal proceedings at Court: Court fees including stamp and duties (according to the legal table for Lawyer's and Court's in Germany) will be approved by the client, Lawyer's fees will be charged only in case the debt is contested or legal remedies are taken. These fees will be pre-paid to us prior to instigating proceedings (see below).

In countries outside Germany we provide services in out of court proceedings like request for payment (reminder/dunning letter), telephone calls and negotiations related to the claim (payment plan). In case of necessary court proceedings we refer to Lawyer's on location of the debtor.

In detail our conditions are as follows:

1. Services out of court: We generally do not claim any retainer fee from clients for our extra-judicial work (prelegal proceedings).

Costs and fees for information and investigations like trade register fees, fees of commercial agencies, inquiries to the bankruptcy court, a.s.o. are free of charge, except credit reports.

Out-of-court-service covers:

- to contact the debtor by phone, email, fax-letter, mail
- sending a request for payment by mail with a deadline for payment (5-8 days), including

fees, costs and interest (“dunning letter”),

- review the legal position,
- verification of the debtor’s actual postal address (important in court proceedings),
- written correspondence with the debtor and telephone conversations,
- negotiations concerning an installment agreement (if advisable),
- consulting service for the client concerning legal problems or risks of (court) proceedings.

Our workflow allows basically 4 steps from a first request for payment (dunning letter) up to the sending of a fully prepared plaint (written statement of claim) to threaten the debtor with court ultimately.

2. Services in court proceedings: In case court proceedings become necessary (no reaction, no payment of the debtor, objections of the debtor) the court requires an advance payment of the court fees. We kindly ask for your understanding, that those fees cannot be covered by our office, meaning that the client has to provide us with the court fees in advance.

The court fees relate to a legal table, which is binding by law. The amount depends on the amount in controversy (amount of claim).

The same applies for Lawyer's fees whereas we charge for an advance on fees not before the debtor raises legal objections or takes legal remedies.

In court proceedings we can offer favorable, competitive terms and reasonable fixed-rates (in Germany fees and costs of the court and the lawyer are basically ruled by a legal table related to the amount of the claim).

Especially in cases the debt is not contested and we dispose of all relevant documents (like order, invoices, delivery notes) and we assess the financial situation of the debtor and legal position as promising we would offer to conduct court proceedings only by payment of the court fees. Therefore we would claim for an advance only in case of legal remedies or legal objections of the debtor.

Please note that the debtor is legally obliged to refund all fees - Court fees and Lawyer's fees - if he is defeated in the lawsuit.

We do not initiate court proceedings without any prior consent of our clients.

3. Refund of advance payment: In case that we are successful in court and enforcement proceedings we generally refund the full retainer (incl. court fees) to our clients, provided that we can cover all fees and costs by payments of the debtor.

In case the debtor ignores our mandate and communicates and pays to the client directly we keep on chasing the debtor to pay our fees occurred. The client entitles us to take all measures necessary to collect also the fees and other open items like interest.

4. To start working on the matter we need:

We would appreciate very much to provide us in an e-mail with the following data to avoid misunderstandings and to simplify data processing in our office:

- name and postal address of the client, legal form, full name of the legal representative, VAT-ID-No., web-address of the client (Homepage), kind of performance
- name and postal address of the debtor, legal form, full name of the legal representative, VAT-ID-No., all contact details, telephone no., fax no., emails, all postal addresses available, web-address of the debtor (Homepage),

- amount and calculation of the principal claim
by each invoice: Inv. No., Inv. date, amount. We would also appreciate if you can send us the amounts in Euro by using the actual currency rate.
- all relevant invoices, contract, copies are sufficient,
- reminder, demand letter a.s.o.,
- order, confirmation of order (where applicable), receivables account (where applicable),
- placement form/short statement of the matter (where applicable).

Because of strict tax regulations in Germany we need the VAT-Id-No. (VAT Reg. No. [value added tax registration number] or TVA or UID-Nr.) of the client and the client agrees that we are entitled to communicate it to the tax authorities in Germany for the purpose for filing of the VAT return of the Law Firm. Insofar the client explicitely release the Lawyer's of the Law Firm from professional discretion and secrecy.

Please send us the documents via e-mail (please no zip-, msg, eml- or rar-files, not more than 3MB per mail) or fax 0049-221-16844619/30-520048045 and inform us if you not receive a confirmation of receipt within 48 hours.

You will find additional information (esp. the course of debt collection and court proceedings) on our website debtcollectioningermany.com (esp. our FAQ's too).

We appreciate your reply and a good co-operation.

Law Firm Feinen, Germany, 01.07.2014