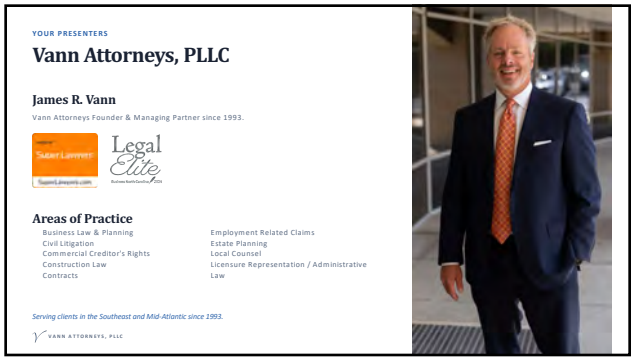

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The Webinar will begin soon.

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VANN ATTORNEYS
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Webinar: When Customers Don't Pay
A Practical Guide to Accounts Receivable Collections
Wed. October 21 @ 3:00

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Vann Attorneys, PLLC
James R. Vann
Vann Attorneys Founder & Managing Partner since 1993.
Legal Elite
Areas of Practice
Business Law & Planning
Civil Litigation
Commercial Creditor's Rights
Construction Law
Contracts
Employment Related Claims
Estate Planning
Local Counsel
Licensure Representation / Administrative Law
Serving clients in the Southeast and Mid-Atlantic since 1993.
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YOUR PRESENTERS

Vann Attorneys, PLLC

Anna A. Rodriguez

Anna Rodriguez is an attorney with Vann Attorneys whose practice focuses on construction litigation, contract law, and civil litigation. She came to the law wanting to advocate for people who need it, and she believes clients are best served by open, regular communication at every stage of a matter.



Education

Law School: Campbell Law School; Year: 2022; Degree: Juris Doctor

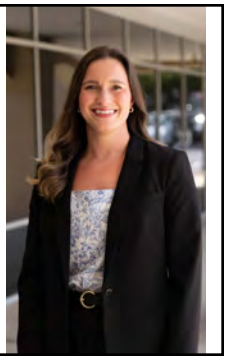
Undergraduate: Westminster College; Year: 2018; Degree: Bachelor of Arts, Political Science

Areas of Practice

Civil Litigation
Commercial Creditor's Rights
Construction Law
Contracts

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WHY WE'RE HERE

An unpaid invoice is more than an accounting problem

Cash flow

Revenue you've already earned can't go toward payroll, vendors, or lenders.

Staff time

Hours spent chasing balances are hours not spent serving customers who pay.

Forecasting

Uncertain receivables make every projection and borrowing decision harder.

Relationships

Many slow payers are customers you'd still like to keep. That complicates every call.

The real question: when to keep working an account, when to escalate, and how to get paid without unnecessary cost or exposure.

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AGENDA

What we'll cover today

1. Recognizing the warning signs early
2. Internal steps that improve results
3. Communicating with slow-paying customers
4. Payment plans, settlements & negotiated solutions
5. When to escalate to an attorney or legal action
6. Documentation that strengthens your position
7. Common mistakes that delay payment
8. Building a better credit & collection process

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TOPIC 1 · WARNING SIGNS

Most collection problems announce themselves early

A receivable rarely goes bad overnight.

The signs usually show up in payment habits and communication well before an account is seriously past due.

The earlier you act, the more options you have.

WHAT IT LOOKS LIKE IN PRACTICE

- Payments drifting from 30 days to 45, then 60
- Partial payments with no explanation
- New disputes raised about old invoices
- Calls and emails that go unanswered
- Promises to pay that come and go

One sign is a reason to pay attention. Two or more is a reason to act.

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TOPIC 1 · WARNING SIGNS

Signals worth watching outside your aging report

Ordering changes

A sudden spike in orders on credit, or a sharp drop, can both signal trouble.

Requests to change terms

Asking for longer terms or a higher limit while already behind.

New owners or management

A sale, a new entity name, or key contacts suddenly leaving.

Liens, judgments & lawsuits

Public records often show other creditors are waiting to be paid, too.

Payment problems

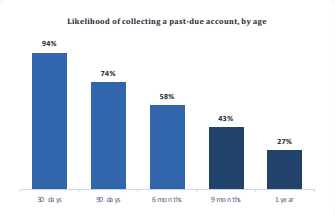
Returned checks, declined cards, or payments coming from a different entity.

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WHY TIMING MATTERS

The longer an account ages, the harder it is to collect



27%

chance of collecting an account that is a year past due.

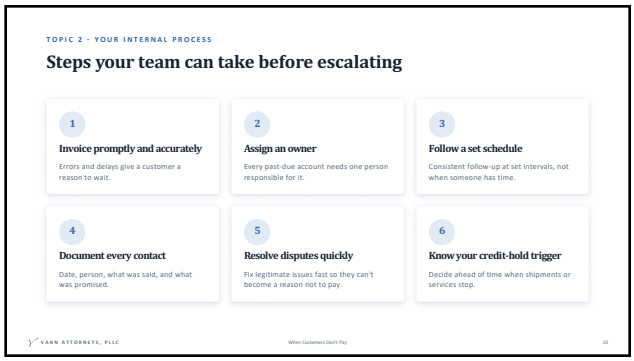
Customers pay the creditors who are pressing them. Over time, contacts change, memories fade, and assets move.

Waiting is a decision, and usually an expensive one.

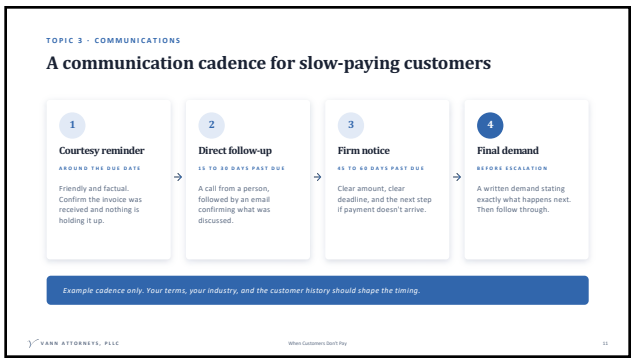
Source: Commercial Law League of America, as reported by NACM News (May 2026).

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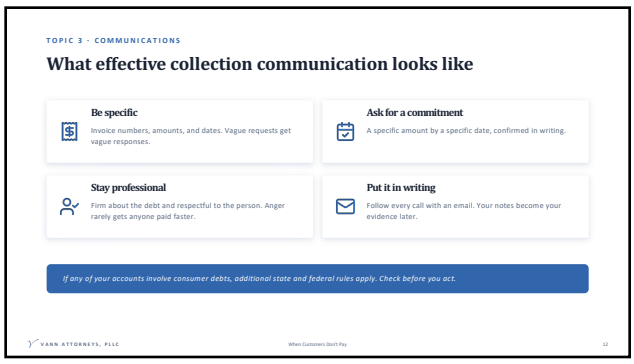
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TOPIC 2 · YOUR INTERNAL PROCESS
Steps your team can take before escalating
1
Invoice promptly and accurately
Errors and delays give a customer a reason to wait.
2
Assign an owner
Every past-due account needs one person responsible for it.
3
Follow a set schedule
Consistent follow-up at set intervals, not when someone has time.
4
Document every contact
Date, person, what was said, and what was promised.
5
Resolve disputes quickly
Fix legitimate issues fast so they can't become a reason not to pay.
6
Know your credit-hold trigger
Decide ahead of time when shipments or services stop.
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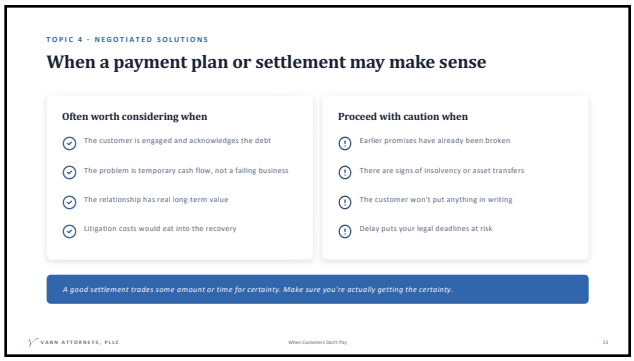
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TOPIC 3 · COMMUNICATIONS
A communication cadence for slow-paying customers
1
Courtesy reminder
AROUND THE DUE DATE
Friendly and factual. Confirm the invoice was received and nothing is holding it up.
2
Direct follow-up
15 TO 30 DAYS PAST DUE
A call from a person, followed by an email confirming what was discussed.
3
Firm notice
45 TO 60 DAYS PAST DUE
Clear amount, clear deadline, and the next step if payment doesn't arrive.
4
Final demand
BEFORE ESCALATION
A written demand stating exactly what happens next. Then follow through.
Example cadence only. Your terms, your industry, and the customer history should shape the timing.
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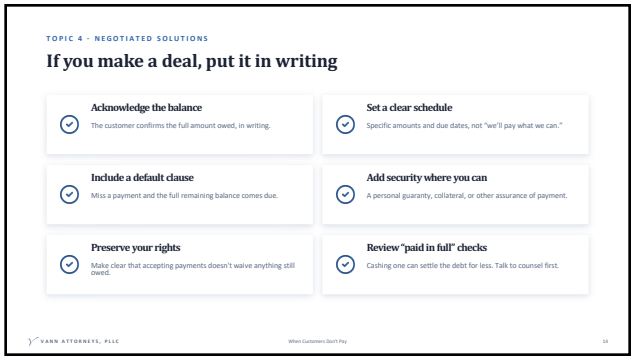
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TOPIC 3 · COMMUNICATIONS
What effective collection communication looks like
Be specific
Invoice numbers, amounts, and dates. Vague requests get vague responses.
Ask for a commitment
A specific amount by a specific date, confirmed in writing.
Stay professional
Firm about the debt and respectful to the person. Anger rarely gets anyone paid faster.
Put it in writing
Follow every call with an email. Your notes become your evidence later.
If any of your accounts involve consumer debts, additional state and federal rules apply. Check before you act.
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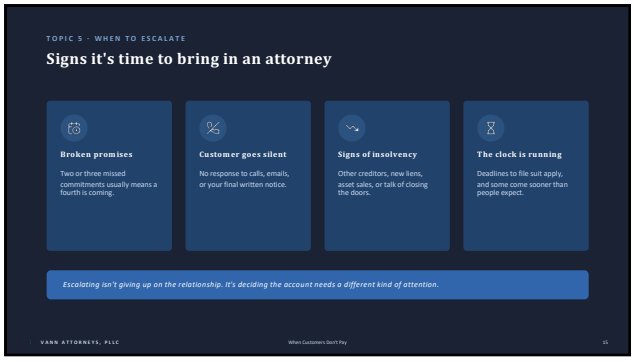
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TOPIC 4 · NEGOTIATED SOLUTIONS
When a payment plan or settlement may make sense
Often worth considering when
The customer is engaged and acknowledges the debt
The problem is temporary cash flow, not a failing business
The relationship has real long-term value
Litigation costs would eat into the recovery
Proceed with caution when
Earlier promises have already been broken
There are signs of insolvency or asset transfers
The customer won't put anything in writing
Delay puts your legal deadlines at risk
A good settlement trades some amount or time for certainty. Make sure you're actually getting the certainty.
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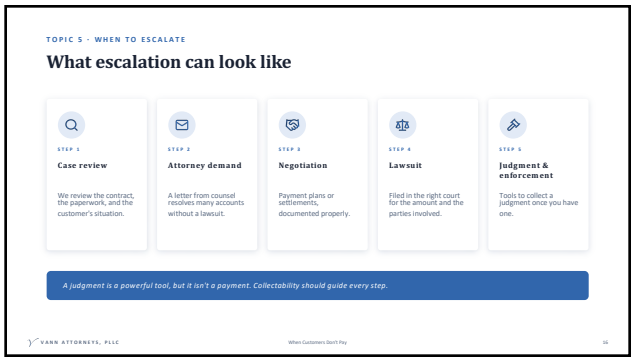
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TOPIC 4 · NEGOTIATED SOLUTIONS
If you make a deal, put it in writing
Acknowledge the balance
The customer confirms the full amount owed, in writing.
Set a clear schedule
Specific amounts and due dates, not "we'll pay what we can."
Include a default clause
Miss a payment and the full remaining balance comes due.
Add security where you can
A personal guaranty, collateral, or other assurance of payment.
Preserve your rights
Make clear that accepting payments doesn't waive anything still owed.
Review "paid in full" checks
Cashing one can settle the debt for less. Talk to counsel first.
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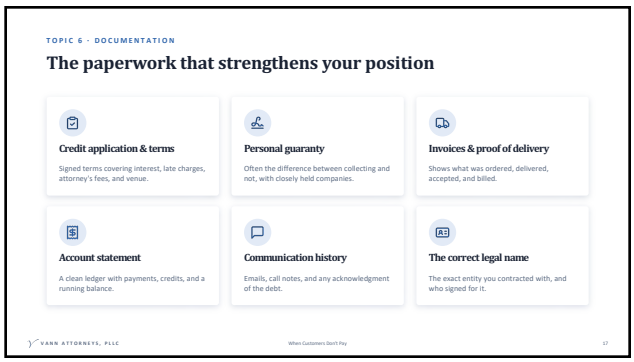
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TOPIC 5 · WHEN TO ESCALATE
Signs it's time to bring in an attorney
Broken promises
Two or three missed commitments usually means a fourth is coming.
Customer goes silent
No response to calls, emails, or your final written notice.
Signs of insolvency
Other creditors, new liens, asset sales, or talk of closing the doors.
The clock is running
Deadlines to file suit apply, and some come sooner than people expect.
Escalating isn't giving up on the relationship. It's deciding the account needs a different kind of attention.
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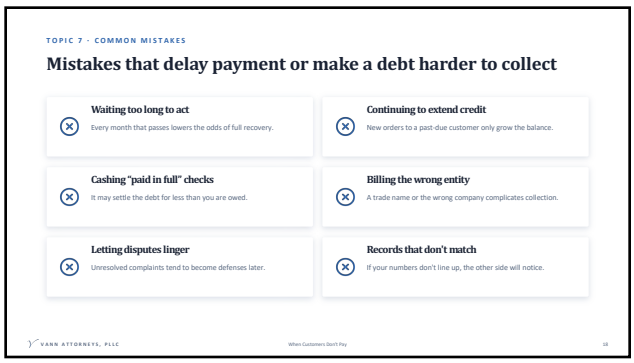
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TOPIC 5 · WHEN TO ESCALATE
What escalation can look like
STEP 1
Case review
We review the contract, the paperwork, and the customer's situation.
STEP 2
Attorney demand
A letter from counsel resolves many accounts without a lawsuit.
STEP 3
Negotiation
Payment plans or settlements, documented properly.
STEP 4
Lawsuit
Filed in the right court for the amount and the parties involved.
STEP 5
Judgment & enforcement
Tools to collect a judgment once you have one.
A judgment is a powerful tool, but it isn't a payment. Collectability should guide every step.
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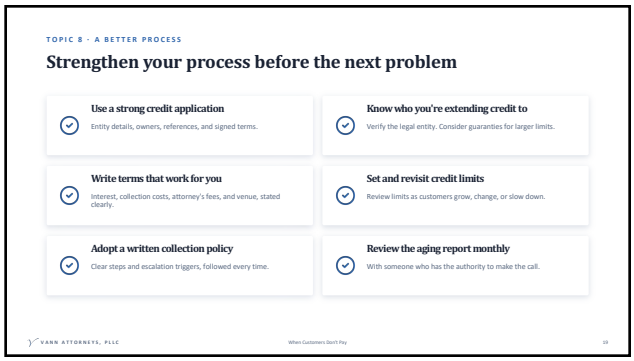
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TOPIC 6 · DOCUMENTATION
The paperwork that strengthens your position
Credit application & terms
Signed terms covering interest, late charges, attorney's fees, and venue.
Personal guaranty
Often the difference between collecting and not, with closely held companies.
Invoices & proof of delivery
Shows what was ordered, delivered, accepted, and billed.
Account statement
A clean ledger with payments, credits, and a running balance.
Communication history
Emails, call notes, and any acknowledgment of the debt.
The correct legal name
The exact entity you contracted with, and who signed for it.
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TOPIC 7 · COMMON MISTAKES
Mistakes that delay payment or make a debt harder to collect
Waiting too long to act
Every month that passes lowers the odds of full recovery.
Continuing to extend credit
New orders to a past-due customer only grow the balance.
Cashing "paid in full" checks
It may settle the debt for less than you are owed.
Billing the wrong entity
A trade name or the wrong company complicates collection.
Letting disputes linger
Unresolved complaints tend to become defenses later.
Records that don't match
If your numbers don't line up, the other side will notice.
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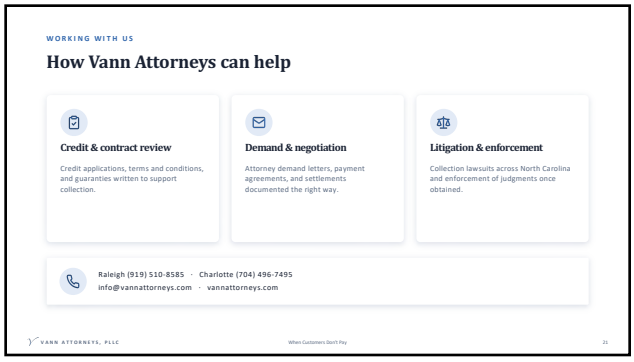
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TOPIC 8 · A BETTER PROCESS
Strengthen your process before the next problem
Use a strong credit application
Entity details, owners, references, and signed terms.
Know who you're extending credit to
Verify the legal entity. Consider guaranties for larger limits.
Write terms that work for you
Interest, collection costs, attorney's fees, and venue, stated clearly.
Set and revisit credit limits
Review limits as customers grow, change, or slow down.
Adopt a written collection policy
Clear steps and escalation triggers, followed every time.
Review the aging report monthly
With someone who has the authority to make the call.
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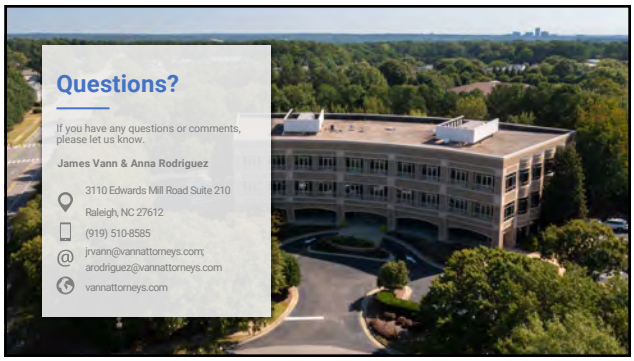
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THE BOTTOM LINE
Getting paid is a process, not a reaction.
Watch early
Know the warning signs and act on them while you still have options.
Work it consistently
A clear schedule, documented contact, and agreements in writing.
Escalate on purpose
Bring in counsel when the facts call for it, not after a deadline passes.

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WORKING WITH US
How Vann Attorneys can help
Credit & contract review
Credit applications, terms and conditions, and guaranties written to support collection.
Demand & negotiation
Attorney demand letters, payment agreements, and settlements documented the right way.
Litigation & enforcement
Collection lawsuits across North Carolina and enforcement of judgments once obtained.
Raleigh (919) 510-8585 · Charlotte (704) 496-7495
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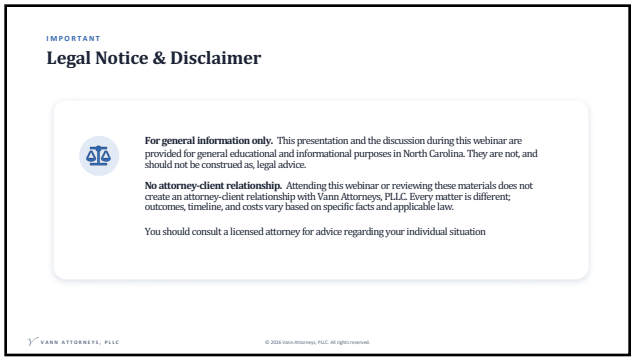
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Questions?
If you have any questions or comments, please let us know.
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