

# Riemer Preference Defense Service

The Preference Defense Service (PDS) is a new service offered by Riemer Reporting Service in collaboration with the law firm of Creim, Macias & Koenig LLP. It is designed to help credit managers defend the trustee's preference claims when a customer files for bankruptcy. In many cases Riemer PDS can help substantially reduce the amount of the trustee's claim and in some cases even eliminate it completely.

## Why do I need this Service?

- Most in-house counsel are not familiar with the intricacies of defending a preference claim. Riemer PDS is a specialized service devoted entirely to preference defense.
- The data collection and analysis is complicated and time consuming. Riemer helps you sort through the data quickly and efficiently.
- You may be able to save your company money by reducing or eliminating the amount of the preference claim.

## Why is it important to fight a preference claim?

When a company files for bankruptcy, usually a trustee is assigned to handle the case. There are many duties and tasks for which the trustee or committee is responsible, one of which is to determine who may or may not have received a preference payment within 90 days of the filing of the bankruptcy.

The method in which this evaluation is done is, in many cases, suspect. There is supposed to be a true evaluation and research as to the payment ledger of the debtor for the period in question. However, nowadays, many trustees take a shotgun approach and send every creditor a preference demand letter.

To further compound the problem for the creditor, trustees now take a shortcut and hire third party preference collection agencies to send creditors preference demand letters – even if you have not received a preference payment.

The collection tactics are often impersonal and ruthless. Many agencies will assert a legal default judgment against the creditor if they do not receive a response within a certain time period. Furthermore, the agencies make it near impossible to contact via telephone. Many creditors have found that their phone calls are not returned unless an attorney is contacting them.

## Why should I use Riemer?

- The analysis needs to be completed regardless of who defends your claim.
- Riemer PDS provides an efficient and cost-effective solution.
- Riemer specializes in data analysis and has a method and process in place to analyze your defense options.
- Most in-house counsels are not experts in preference defense. CMK specializes in creditor claims and preference defense.

## What is Riemer's role?



Riemer Reporting Service has a specialist who gathers the initial information and data from the creditor. The data is run through Riemer's PDS program to determine the actual, if any, amount of payments considered preference. Once the analysis is completed, the package is sent to the law firm of Creim, Macias & Koenig, LLP (CMK) for an initial free legal evaluation.

## What is CMK's role?

CMK receives the preference analysis completed by Riemer and reviews the analysis to determine which defenses are appropriate for your case. After review, CMK will contact you to discuss the preference defense options and provide a legal opinion. At that time, you may elect to retain CMK as your counsel. This constitutes a separate arrangement and you are under no obligation to retain CMK beyond the free initial review.



## What information do I need to supply?

The preference defense analyst will review with you the exact data elements necessary for the analysis. However, generally the information required includes the following:

1. Invoices for the 90-day preference period.
2. Invoices for the year preceding the bankruptcy.
3. Payment history for the 90-day preference period.
4. Payment history for 12 months prior to the start of the preference period.
5. Details of all goods or services shipped during the 90-day preference period.

## How much does it cost?

Riemer PDS, including the full deliverables listed adjacent, is being offered at a flat rate of \$495.00., which includes up to 4 hours of data preparation, analysis, and initial review by legal counsel. In some cases additional analysis hours may be necessary which will be billed at \$110.00 per hour after Creditor's approval.

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## What is included in the service?

Riemer PDS includes the following:

1. Schedule the initial preference interview and review in detail the necessary information required to start the analysis.
2. Compile the data in preparation for analysis.
3. Prepare the exhibit data for "Ordinary Course" defense.
4. Review the course of payments as shown between the debtor and the creditor from the documentation provided by the creditor.
5. Prepare and exhibit the data for "New Value" defense.
6. Review the extent to which the creditor provided goods and/or services during the applicable time period, for which the debtor did not pay the creditor,
7. Assess the need to compare the payment practices and history between the debtor and creditor with other similarly situated creditors.
8. An initial complimentary legal review, opinion and recommendation by the Law firm Creim, Macias & Koenig, LLP based on the Riemer Preference Defense analysis.

**Get started now! Call 877-RIEMER-1...**