

NCS CREDIT BEST PRACTICES AND YOUR FREQUENTLY ASKED QUESTIONS



NOTICE & MECHANIC'S LIEN SERVICES

WHY NCS CREDIT SERVES REGISTERED AGENTS

One of the most popular questions we get is "Why do you serve the registered agent with a copy of the preliminary notice?"

NCS Credit serves the registered agent identified via the state corporate search with a copy of the statutory preliminary notice. Our standard business practice for our Premium Notice service is to serve the registered agent for all parties required to receive a copy of the preliminary notice.

THE REGISTERED AGENT'S ROLE

The registered agent is a clear, identifiable person or company who can accept service of all legal documents on behalf of a party.

A LOW COST, PROACTIVE DEFENSE

When a mechanic's lien or foreclosure action is contested, do you know what one of the most common defenses is? Yep, you guessed it "I never received a copy of the required preliminary notice. Therefore, the mechanic's lien is invalid."

There are a myriad of reasons why a party in the ladder of supply may not receive their copy of the preliminary notice. Perhaps the party provided an incorrect address or has multiple addresses, maybe they refused delivery of the notice, or in some cases, the document is simply "lost in the mail." Serving the registered agent helps ensure the document is received, alleviating the "I didn't get any notice" defense.

YES, THERE IS A COST

There are up front postage fees associated with serving additional parties, which means the cost of your preliminary notice will increase with each party served.

But these additional postal fees far outweigh the risk of failing to serve required parties timely. Not to mention, it reduces the likelihood of incurring additional costs of serving an amended notice.

REGISTERED AGENT INFORMATION Name of Individual or UNITED STATES CORPORATION Legal Entity: AGENTS, INC.

BENEFITS OF CORPORATE SEARCHES AND SERVING REGISTERED AGENTS

- Confirms the name and address of the registered agent. Serving the registered agent reduces the need to serve amended notices, saving you money.
- Assists with identifying an entity's corporate legal name, which helps avoid issues with (or questions regarding) the validity of the notice, lien, or foreclosure action.
- Indicates whether an entity is in good standing with the Secretary of State (e.g., if your customer isn't in good standing, it's prudent to contact them and discuss; this is often an early warning sign of financial distress).



