



NOTICE & MECHANIC'S LIEN SERVICES

WHY NCS CREDIT RECOMMENDS SERVING ALL PARTIES

By serving a notice, you are letting everyone in the contractual chain (aka the ladder of supply) know you are furnishing material or services to the project. Often, parties toward the top of the chain (like the owner or general contractor) have no idea who the various suppliers and subcontractors are. To ensure compliance with statute and to make yourself a payment priority, serve all parties with a copy of the preliminary notice.

STATE STATUTE DICTATES WHO SHOULD RECEIVE A COPY OF THE NOTICE

State statute not only dictates when your notice should be served and what information should be included in your notice, it also dictates who should receive a copy of the notice.

SERVE THE PRELIMINARY NOTICE UPON ALL PARTIES AND YOU'LL BE A PAYMENT PRIORITY

By notifying everyone of your involvement, you make yourself a payment priority. Now all parties know your company name, what you are providing to the project, how to get in touch with you, and that you know how to protect yourself in the event you aren't paid.

Think of it another way – what if something goes awry with the GC, and the owner remits payment directly to the subs and suppliers. Don't you want to be front of mind for the owner? Think of all the subs and suppliers the owner doesn't know about – how quickly are those folks going to get paid? Probably not very quickly; in fact, it's more likely those folks will have to proceed with a lien or a bond claim.

YOU COULD SAVE MONEY

By only serving required parties, you will save on additional postage costs. However, we know serving a notice upon all parties increases the likelihood of timely payment. Timely payment means you won't need to file a mechanic's lien - a major cost savings.

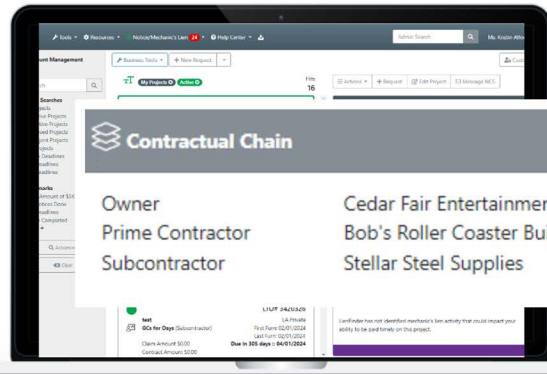
As a business, you need to weigh the cost/benefit. Spending a little more to send the notice to one more party -- a party who might provide you with vital information or advocate for you to receive payment -- might be worth it. Especially when compared to the costs associated with lien/bond claim filings and foreclosure actions.

YOU MAY MISS VITAL INFORMATION

Here's an example: For public projects in Ohio, the GC is the only party required to receive a copy of the notice. However, the owner is supposed to provide a copy of the Notice of Commencement. Except, the owner can't provide you with a copy of the Notice of Commencement if it doesn't know you are furnishing to the project.

- ▶ **Serving required parties only:**
 - reduces postage fees

- ▶ **Serving all parties:**
 - assists with obtaining vital project information
 - increases likelihood of timely payment
 - reduces need for costly mechanic's lien / foreclosure actions



SAVE TIME. SAVE MONEY. GET PAID FAST.

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