L+A

ILLUSTRATIVE SPECIMEN
NOT A REPORT ON A REAL COMPANY

Counterparty report

Specimen Trading IKE (a fictional Greek private company)

PREPARED FOR	A foreign supplier about to sign a three-year distribution agreement with the company, on 60-day payment terms
QUESTION ASKED	Is it safe to sign with this company on these terms, and what should change in the contract first?
SEARCHES RUN ON	The date shown on each search result attached to the report
RESPONSIBLE	A partner of the firm, who signs the report

1 Conclusion

> The company exists, is properly registered and the person who will sign has authority to bind it. We found three red flags. None of them is a reason to walk away; two of them should change the contract before signature.

2 Red flags, in order of importance

	FINDING	RESTS ON	WHAT TO DO
1	The last financial statements on file are two financial years old. Later years have not been filed.	Company record and filed statements, General Commercial Registry (ΓΕΜΗ)	Ask for the unfiled statements and for current tax and social security clearance before signature. Until they arrive, do not give 60-day credit: ask for advance payment or a bank guarantee for the first orders.
2	The sole administrator was also administrator of another company that entered bankruptcy.	Company records in ΓΕΜΗ; Electronic Solvency Register (Ηλεκτρονικό Μητρώο Φερεγγυότητας)	Ask him for a written explanation. Add his personal guarantee for unpaid invoices up to an agreed ceiling.
3	The equity shown in the last filed statements is small compared with the order volumes planned under the agreement.	Filed statements, ΓΕΜΗ	Set a credit limit in the contract and a right to suspend deliveries when it is exceeded. Keep title to the goods until payment.

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3 Findings by area

1	**Identity and registration**	Private company (IKE), registered in ΓΕΜΗ, registered office in Athens, object wholesale trade. VAT number valid in the EU VIES system on the date of search.
2	**Representation and control**	One administrator, who may sign alone. Two partners on record. Beneficial ownership details requested from the counterparty and received; they agree with the corporate record.
3	**Financial position**	See red flags 1 and 3. No auditor's report: as a small entity the company is not subject to statutory audit.
4	**Property**	Searched by name and tax number at the Hellenic Cadastre: one warehouse in Attica registered to the company, with a mortgage in favour of a bank. Cadastre extract requested (see section 4). A name search cannot guarantee that every property is found.
5	**Insolvency**	No entry for the company in the Electronic Solvency Register. Certificates of no bankruptcy and of no bankruptcy petition requested from the court of first instance of the registered seat; received, clean.
6	**Litigation**	No pending cases traced. The counterparty signed a declaration that none are pending.
7	**Directors**	See red flag 2. No entry for the administrator in the Register of Disqualified Directors.
8	**Sanctions and exposure**	No match for the company, the administrator or the partners in the EU financial sanctions lists. No public exposure found for the people behind the company.
9	**Public money**	No public contracts or decisions found in Diavgeia or ΚΗΜΔΗΣ.
10	**Clearances**	Tax and social security clearance certificates requested from the counterparty; not yet received (see section 4).
11	**Record history**	No earlier names or transformations on the record.
12	**Adverse media**	Greek and English-language press and the web searched for the company, the administrator and both partners, in Greek and Latin spelling. One 2023 trade-press item reports a payment dispute between the administrator's earlier company and a supplier; it is consistent with red flag 2. One item about a namesake of a partner was ruled out (different city and profession).
13	**Online footprint**	Website domain registered nine years ago. Stated headcount of 12 is in line with the average of 11 employees in the last filed statements. The registered office is a working warehouse and office; no sign of a virtual address. Reviews and complaints: nothing material.

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14	**Connected companies**	The administrator appears as administrator of two other companies in ΓΕΜΗ: one in bankruptcy (red flag 2) and one active. The partners appear in no other company we could link to them.

4 Still missing

- Financial statements for the two most recent years (requested from the counterparty).
- Tax and social security clearance certificates (requested).
- Cadastre extract for the warehouse, showing the amount of the mortgage (requested).

5 What the report does not cover

This is a check of public records and of documents the counterparty supplied. It is not an audit of the accounts and not a full legal due diligence of the company's contracts, employment, licences and title to its property.

This document shows the form of a Latsoudis + Associates counterparty report. The company, the people and every finding in it are invented. It is not legal advice and says nothing about any real company.

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