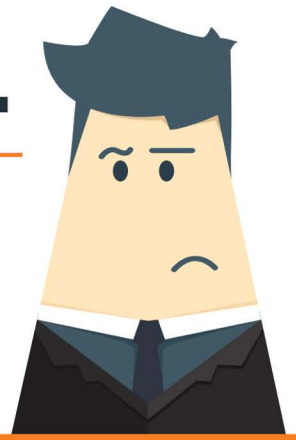


Demand Letters 101



Demand letters can expedite payment, allow you to maintain control of your collection process and save you money. A demand letter is a strongly worded request for payment, most often served upon your customer, advising legal action may be taken if payment is not received within a specified time period.

"When Would I Send a Demand Letter?"

Use a demand letter when polite tactics have failed.

If your customer stops responding to the casual emails and phone calls, it is a signal that you need to step up your game!

Send a Demand Letter Before...

- Repossessing goods or equipment
- Enforcing a UCC filing under Article 9 of the Uniform Commercial Code (UCC)
- Filing or serving a mechanic's lien / bond claim
- Enforcing a mechanic's lien / bond claim
- Placing an account with a collection agency

"What Should I Include in a Demand Letter?"

- Date of the demand
- Your company's name and contact information
- Your debtor's name and contact information
- A reference to the debt
- The amount of the debt
- The due date of the debt
- The form(s) of payment accepted (i.e. check, ACH, credit card etc.)
- The payment deadline
- A consequence of not paying the debt

Remember, a demand letter is not intended to be "a-walk-in-the-park-chasing-rainbows-and-butterflies."

In order for a demand letter to be successful, it should contain factual information and be succinct/to the point.