SCOTLAND: REMINDER LETTER AND LETTER BEFORE CLAIM

|  |  |
| --- | --- |
| [Name]  [Debtor address] | «Name»  «AddressLine1»  «AddressLine2»  «AddressLine3»  «PostCode»  Date: «Date» |

Dear[NAME OF DEBTOR]

**Reminder letter**

We refer to our invoice number [NUMBER] dated [DATE] in the sum of £[AMOUNT] OF DEBT (“the invoice”).

We note that the invoice still remains unpaid and the sum of £[AMOUNT] OF [DEBT] remains outstanding.

In the circumstances, could you please arrange payment of the invoice as a matter of urgency and in any event by no later than 7 days from the date of this letter.

Yours sincerely,

…………………………………

For and on behalf of [INSERT DETAILS]

SCOTLAND: LETTER BEFORE CLAIM

Where no reply is received, we suggest the following letter before claim:

|  |  |
| --- | --- |
| [Name]  [Debtor address] | «Name»  «AddressLine1»  «AddressLine2»  «AddressLine3»  «PostCode»  Date: «Date» |

Dear [NAME OF DEBTOR],

We refer to our invoice number[s] [NUMBER] dated [DATE] in the sum of £[AMOUNT] OF [DEBT] (“the invoice”) with regard to [goods][ and ][services] that we have supplied to you. We also refer to our reminder [NOTICE/LETTER] dated [DATE]. We attach herewith a copy of the invoices and reminder for ease of reference.

We note that the invoice still remains unpaid and the sum of £[amount of debt] remains outstanding.

In the circumstances, we are now writing to formally demand payment of the amount detailed above within 7 days from the date of this letter. Should payment of the invoice not be forthcoming within this period of time, we may instruct solicitors or issue court proceedings against you without further notice.

OPTIONAL CLAUSE FOR BUSINESS-TO-BUSINESS DEBT: [We also put you on notice that we are claiming statutory interest together with compensation and reasonable costs of recovering the debt which are entitled to us under the Late Payment of Commercial Debts (Interest) Act 1998. We are entitled to the following:

1. Interest at the rate of [X] %, being the Bank of England base rate plus 8%, calculated on a daily basis from CHOOSE ONE: [the end of the credit period which was agreed with you] OR [from the end of the period of 30 days after the delivery of our invoice] until the debt is paid.];
2. Compensation of £…… [up to £999.99 = £40.00; £1,000.00 to £9,999.99 = £70.00; £10,000.00 or more = £100.00]; and
3. Our reasonable costs of recovering the debt currently at £…….. [costs associated with trying to recover the debt over anything above the compensation, needs to be justified at court]]

If court proceedings are issued against you, a claim will also be made [FOR STATUTORY INTEREST, COMPENSATION AND REASONABLE COSTS FOR RECOVERING THE DEBT as detailed above and] for our legal and court costs (where relevant).

We hope that, despite the clear intention of this letter, legal proceedings may be avoided and we look forward to receiving full payment within the time stated.

Yours sincerely,

………………………………….

[NAME]

For and on behalf of [INSERT DETAILS]

NB. Unless a payment period has been specifically agreed between the parties, the following is an appropriate time scale for the issue of a letter before claim:

1. The law states that a payment is late 30 days after either the customer gets the invoice or you deliver the goods or provide the service (if this is later)

2. Reminder notice – allow a further 7 days for repayment. If no repayment is made and the reminder ignored:

3. Letter before action – allow a further 7 days for repayment.

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