GUIDANCE NOTES ON COMPLETING THE PRE-ACTION PROTOCOL ON DEBT LETTER BEFORE CLAIM

- The first step is to read our factsheet on **PRE-ACTION PROTOCOL FOR DEBT CLAIMS** on debt in conjunction with the Pre-action practice direction. The practice direction is a document issued by the courts setting out the conduct that the court will expect of you.

- Keep in mind that this example is suitable if you are a business claiming a debt from an individual (including a sole trader). The protocol does not apply to business-to-business debts and debts where another Protocol applies, as explained in our factsheet on the process. If you need to claim a business-to-business debt you should use our standard letter before action template.

- As explained in the factsheet, where there is another protocol that applies to a specific type of claim, for example engineering or construction, you should use that protocol.

- This protocol will not apply to claims issued by HMRC, as those claims are subject to another protocol.

- Please note that following this protocol is not strictly mandatory, but there may be penalties for failure to comply. If your case does go to court, the court will take a view on non-compliance, meaning usually that you have to pay extra costs.

- We suggest that you copy and paste the content of our example letter to your business headed notepaper. As it's only an example you have to amend the content of the template letter to personalise it for your circumstances. You need to pay careful attention to any information in brackets [ ] on the template, as you need to insert the correct required information.

- For the purpose of completing the letter keep in mind that your business is the Creditor and the person (individual or sole trader) that owes you the money, is the Debtor.

- We'd suggest that you include all the key documents that you consider to be relevant to the dispute, even if you believe the debtor already has any of them in his possession. If you don't include copies, you will face a delay if the debtor asks for copies of the relevant documents.

- Clearly date the letter after adapting it and post either on the day it is dated, or where that is not possible, the following day.

- The letter should be sent by post. If you have additional contact information for the debtor, for example an email address, you may also send it using that information. If your debtor has made an explicit request that correspondence should not be sent by post, and has provided alternative contact details, then you should use the supplied information when sending the letter. Please note that making mention of this in your standard terms does not constitute an explicit request.

- You have to give the debtor at least 30 days to respond to the letter. Please see our factsheet for more details on the timescales.

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