EMAIL DISCLAIMER

Reminder letter and letter before action to a business customer (NOT A SOLE TRADER)

**The two examples listed below should be used when you are a business claiming a debt from another business unless the party that owes you the money is a sole trader.**

**If you, as a business or public body, are owed money by an individual (including a sole trader) you must follow the procedure as set out in our factsheet on Pre-action Protocol for Debt Claims and use the Letter before action: Debt Claim (Pre-action Protocol) template.**

**Please note you will need to remove/amend all highlighted text in this document.**

|  |  |
| --- | --- |
| FAO: [Debtor company contact’s name]  [Debtor company 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] [inclusive of VAT] 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 **OR** 14] days from the date of this letter.

Yours sincerely,

…………………………………

For and on behalf of the Company

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

|  |  |
| --- | --- |
| FAO: [Debtor company contact’s name]  [Debtor company name]  [Debtor address] | «Name»  «AddressLine1»  «AddressLine2»  «AddressLine3»  «PostCode»  Date: «Date» |

Dear [Name of debtor],

**LETTER BEFORE CLAIM**

Dear Sir or Madam,

**Our Claim: Breach of contract for failure to pay our invoices in the sum of £[amount of debt][inclusive of VAT]**

**Background**

1. You instructed us on [date] to [describe goods or services e.g. to provide bookkeeping services].
2. **\*Delete this section if not applicable\*** We sent you a copy of our Terms and Conditions of Business on [date] and you returned a signed copy dated [date] to confirm acceptance of them **OR** you continued to instruct us thereafter and by doing so confirmed acceptance of our terms.
3. We provided the [goods] **OR** [services] referred to above and raised [an invoice dated [date]] **OR** [a number of invoices between [date] and [date]] for the same ([a copy of which is][copies of which are] enclosed for ease).

**Breach of Contract**

1. At the time of writing you have failed to pay the sum of £[amount of debt][inclusive of VAT], which was due for payment by [date stated on invoice or as per standard terms].
2. We are entitled to interest at the rate of [ ]% [per annum] on the outstanding sum from the date on which payment fell due. The interest incurred to date is £[amount of interest]and continuing at a daily rate of £[insert daily interest amount].
3. We are also entitled to late payment compensation in the sum of £[insert amount].

**Relevant Documents**

1. We enclose a copy of and/or links to the following documents that are relevant to this matter:
   1. **\*Delete if not applicable\*** Our Terms and Conditions of Business;
   2. Copy of our invoice[s] as referred to at paragraph 3 above; and
   3. **\*Delete if not applicable\*** A statement of account dated [date];

**Documents Requested from the Debtor**

1. Please provide to us within [7 **OR** 14] days copies of any documents you consider relevant to this dispute.
2. The documents referenced at paragraph 7 above are not purported to be an exhaustive list of documents relevant to this matter. Please confirm that you will take proper and appropriate steps to ensure no relevant documents, including electronic documents that are in your control are altered, lost, destroyed or disposed of.

**Payment of the Debt**

1. The sum outstanding can be paid to the following bank account details:

Account Name: [ ]

Bank: [ ]

Sort Code: [ ]

Account Number: [ ]

1. You may contact us on the details at the bottom of this letter to discuss payment.

**Alternative Dispute Resolution**

1. Pursuant to the Civil Procedure Rules we are open to considering forms of Alternative Dispute Resolution with you. You are invited to consider the same and put forward your proposals to settle this dispute within the above stipulated period. However, we are confident in our claim against you and we are prepared to progress the matter to conclusion if required.

**Summary and Next Steps**

1. We have a claim against you in the sum of £[insert amount]**.** Should proceedings be issued, we will also seek interest on the outstanding sum (at the date of writing this amounts to £[insert amount] and continuing at a daily rate of £[insert amount], late payment compensation in the sum of £[insert amount], the Court issue feeand our costs as the Court may allow.
2. We require payment of £[insert amount] by no later than[7 **OR** 14 days from date of letter].
3. Ignoring this letter may result in the issue of legal proceedings against you without further notice and may increase your liability for costs.
4. If you are unsure as to your position we suggest you seek independent legal advice.

Yours faithfully

[Signature]

**\* In general, legal costs cannot be recovered in the Small Claims Court but fixed court costs can be recovered.**

**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 action:**

**1. Invoice – allow 30 days for repayment. If no repayment is made:**

**2. Reminder notice – allow a further 7 to 14 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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