

Your Reclamation Demand Should Be In Writing

The bankruptcy court reminds vendors that a reclamation demand should be in writing even if the debtor is not in bankruptcy. Below is a form of reclamation demand letters a vendor may consider sending to an insolvent debtor, prior to bankruptcy.

Example:

NON-BANKRUPTCY RECLAMATION DEMAND LETTER

[date]

VIA FACSIMILE AND OVERNIGHT MAIL [OR HAND DELIVERY]

[Debtor]

Re: [Debtor's Case Name]

Dear [Debtor's Officer]:

This letter constitutes a notice of demand for the return of certain goods purchased by the above-captioned debtor ("Debtor") from [Creditor] (the "Seller"). Please take notice that pursuant to [State] Commercial Code 2702, and by virtue of the Debtor's insolvency, the Seller hereby demands the segregation and return of all the [Reference goods] (the "Goods") currently in your possession and delivered to you on or after [Delivery Date] pursuant to the invoices, dated [Invoice Date and Invoices Numbers. Invoices may be attached]. Unless you authorize the return of the Goods immediately, further appropriate measures will be taken.

Please contact the undersigned immediately to make arrangements to allow the Seller to reclaim the Goods. I look forward to hearing from you shortly.

Sincerely, [Credit Executive]