Sample Warranty claim Letter

fOR USE WITH CLAIMs of: Altered item or Item with

Unauthorized/FRAUDULENT/Missing Indorsement(S)

**Instructions for Use of this Letter:**

This letter may be used to make a UCC warranty claim for altered items and items that are missing indorsement(s) or have a fraudulent indorsement.

* The missing Indorsement(s) check box may be used for: items with no indorsement, items not indorsed as drawn or when all required indorsements are not present. Please utilize Section C Brief Description of Claim to provide the details of the case.
* This letter is not for use with Regulation CC warranty claims, including claims relating to returned items.
* **This letter should not be used for any matter involving counterfeit checks or fraudulent/unauthorized drawer signature on checks**.
* This letter and warranty claim process should be reviewed by your bank’s legal counsel prior to use.
* Use of this letter by banks is voluntary, and is for use outside of any other interbank adjustment process.
* Complete warranty claim letter as appropriate, including:
	+ - Date
		- Appropriate recipient/department within the bank
		- Reference number
		- Type of claim – indicate with a checkmark whether the claim is for breach of warranty claim on an altered item or unauthorized/fraudulent/missing indorsement(s)
		- Basis for claim and to what type of bank it is being made - indicate with a checkmark whether the claim is based on presentment warranties (claim from Paying Bank) or transfer warranties (claim from Collecting Bank). Also indicate whether the claim is being made to the Depositary Bank or a Collecting Bank.
* Description of claim including details/circumstances. Attach relevant documents including a copy of the item—front and back. If your bank previously made a claim to the depositary bank for the same item(s), and that prior claim was not resolved, insert details of the prior claim.
	+ - Amount of claim
		- Settlement instructions
		- Contact information
		- Signature

Date: INSERT DATE

**Attention**: INSERT APPROPRIATE RECIPIENT/DEPARTMENT

**Re: Breach of Warranty Claim – Transfer or Presentment Warranty**

**Our Reference Number:** INSERT NUMBER

This letter constitutes our claim to your bank arising from your bank’s alleged breach of warranty under Uniform Commercial Code (UCC) presentment warranties (UCC 4-208) or transfer warranties (UCC 4-207) with respect to the following items.

|  |  |  |
| --- | --- | --- |
| *Drawer* | *Payee Name on Item* | *Dollar Amount* |
| Click here to enter | Click here to enter | Click here to enter |
| Click here to enter | Click here to enter | Click here to enter |
| Click here to enter | Click here to enter | Click here to enter |

*We reserve any rights that may be available to us with respect to the item(s) under applicable law, regulation or clearing house rule.*

1. TYPE OF WARRANTY CLAIM:

*(Check all that apply below)*

[ ]  **Altered Item**

[ ]  **Indorsement is Unauthorized/Fraudulent**

[ ]  **Missing Indorsement(s)**

1. UCC BASIS FOR WARRANTY CLAIM:

*(Check two boxes below – one for your bank and one for claimant bank)*

[ ]  We are the **Paying Bank** with respect to the item(s) and your bank is:

[ ] the **Depositary Bank** *or*

[ ] a **Collecting Bank** with respect to the item(s).

Summary of applicable UCC presentment warranty**:** UCC 4-208 provides that the presenting bank and the prior transferring bank(s) warrant that:

1. the bank is entitled to enforce the draft or authorized to obtain payment or acceptance of the draft on behalf of a person entitled to enforce the draft; (*See also UCC 3-417 Commentary which states: “Subsection (a)(1) is in effect a warranty that there are no unauthorized or missing indorsements”);* and
2. the draft has not been altered.

***OR***

[ ]  We are the **Collecting Bank** with respect to the item(s) and your bank is:

[ ] the **Depositary Bank** *or*

[ ] another **Collecting Bank** with respect to this item.

Summary of applicable UCC transfer warranty**:** UCC 4-207 provides that a collecting bank that transfers an item and receives a settlement or other consideration warrants to the transferee and to any subsequent collecting bank that:

1. the bank is a person entitled to enforce the item*; (See also UCC 3-416 Commentary which states: “Subsection (a)(1) is in effect a warranty that there are no unauthorized or missing indorsements that prevent the transferor from making the transferee a person entitled to enforce the instrument”)*
2. all signatures on the item are authentic and authorized; and
3. the item has not been altered.

1. BRIEF DESCRIPTION OF CLAIM:

*Include description of facts that form the basis of claim and attach any relevant documents*

1. REQUEST FOR RESPONSE TO THIS WARRANTY CLAIM:

We request that your bank please evaluate this claim and respond as soon as possible.

We ask you to provide us with either:

(A) payment in the amount of $INSERT AMOUNT according to settlement instructions below, **OR**

(B) a letter indicating why your bank refuses payment of this warranty claim.

1. SETTLEMENT INSTRUCTIONS:

INSERT SETTLEMENT INSTRUCTIONS

1. CONTACT INFORMATION:

If you have any questions concerning this matter, please contact:

INSERT CONTACT NAME

INSERT BANK NAME

INSERT PHONE NUMBER AND TIME ZONE, Monday through Friday & other info

INSERT EMAIL ADDRESS

Any written correspondence relating to this letter or the warranty claim can be directed to the following contact person:

INSERT CONTACT ADDRESS

Sincerely,

INSERT SIGNATURE

Enclosures