SAMPLE WARRANTY CLAIM LETTER FOR USE WITH CLAIMS OF CHECK WITH FRAUDULENT/MISSING INDOREMENT

Instructions for Use of this Letter:

This letter may be used to make a UCC warranty claim for check(s) that are missing indorsement(s) or have a fraudulent indorsement, and where the Payee claims they did not receive the funds.

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 making the claim
  - Reference number
  - Description of claim including details/circumstances. Attach relevant documents: a statement from the Payee that they have examined the check in question and that their indorsement is either missing or forged, and that they did not receive the value of the paid check. Include a copy of the item—front and back.
  - Amount of claim
  - Settlement instructions
  - Contact information
  - Your Signature
Date: INSERT DATE

Attention: INSERT APPROPRIATE RECIPIENT/DEPARTMENT

Re: Breach of Warranty Claim – UCC 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 3-417(1) and 4-208(1)) with respect to the following check(s).

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<tr>
<th>Drawer</th>
<th>Payee Name on Check</th>
<th>Dollar Amount</th>
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We reserve any rights that may be available to us with respect to the check(s) under applicable law, regulation or clearing house rule.

A. TYPE OF WARRANTY CLAIM:
   Indorsement is Missing/Unauthorized/Fraudulent

B. UCC BASIS FOR WARRANTY CLAIM:
   • We are the Paying Bank and your bank is the Depositary Bank

   Summary of applicable UCC presentment warranty: UCC 3-417(1) and 4-208(1) provides that the presenting bank warrants 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”).

C. BRIEF DESCRIPTION OF CLAIM:
   Include description of facts that form the basis of claim and attach any relevant documents

D. 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.
E. SETTLEMENT INSTRUCTIONS:

INSERT SETTLEMENT INSTRUCTIONS

F. 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