

REPOSSESSION CHECKLIST

1. Is the account 10 days or more past due? If not, you have to wait until it is before you can proceed.
2. If the account is 10 days or more past due, have you sent the **NOTICE OF DEFAULT & RIGHT TO CURE**? If not, you must send it before you can proceed.
3. Did the **NOTICE OF DEFAULT & RIGHT TO CURE** give the customer at least 20 days to cure the default? If not, you have to send the borrower one that does before you can proceed.
4. Did the customer cure the default by paying the account up to date? If so, and the account is again at least 10 days delinquent, you will have to send a **SECOND NOTICE OF DEFAULT & RIGHT TO CURE**, and give the customer 20 days to cure the default before you can proceed.
5. If you sent the **SECOND NOTICE OF DEFAULT & RIGHT TO CURE**, did it again give the customer 20 days to cure the default, and did it have the required additional language? If not, you have to send the borrower one that does before you can proceed.
6. After you repossessed the collateral, did you send the customer the **NOTICE OF OUR PLAN TO SELL PROPERTY**?
7. If you sent the **NOTICE OF OUR PLAN TO SELL PROPERTY**, did you give the customer at least 10 days to redeem the collateral? If not, you have to send the borrower one that does before you can proceed.
8. Was the sale handled in a commercially reasonable manner, e.g., advertising for bids, contacting various dealers, etc.?
9. Does the file contain complete information concerning the sale, include at the very least the nature of the sale (private or auction), the price obtained for the collateral, the name of the purchaser, etc.?
10. Does the file contain receipts for all expenses incurred in the repossession, including the repossession fee, repairs, storage, etc.?
11. If there was a surplus from the sale of the collateral, did you return the excess funds to the customer?
12. If you intend to pursue a deficiency balance, did you send the **NOTICE OF SALE AND POSSIBLE DEFICIENCY**?

FIRST NOTICE OF DEFAULT & RIGHT TO CURE

Date This Notice Mailed

Lender Name

Street Address

Town, State

Telephone Number

Account Number

Brief Description of Credit Transaction:

Brief Description of Collateral Securing Loan:

AMOUNT NOW DUE:

LAST DAY FOR PAYMENT:

You are late in making your payment(s). If you pay the **AMOUNT NOW DUE** (above) by the **LAST DAY FOR PAYMENT** (above), you may continue with the contract as though you were not late. If you do not pay by that date, we may exercise our rights under the law.

If you voluntarily surrender possession of the collateral (above), you could still owe additional money after the money received from the sale of the collateral is deducted from the total amount you owe.

(1st Right to Cure)

SECOND NOTICE OF DEFAULT & RIGHT TO CURE

Date This Notice Mailed

Lender Name
Street Address
Town, State
Telephone Number

Account Number

Brief Description of Credit Transaction:

Brief Description of Collateral Securing Loan:

AMOUNT NOW DUE:

LAST DAY FOR PAYMENT:

You are late in making your payment(s). If you pay the **AMOUNT NOW DUE** (above) by the **LAST DAY FOR PAYMENT** (above), you may continue with the contract as though you were not late. If you do not pay by that date, we may exercise our rights under the law.

If you voluntarily surrender possession of the collateral (above), you could still owe additional money after the money received from the sale of the collateral is deducted from the total amount you owe.

If you are late again in making your payments, you will not be entitled to another notice like this, and you will have no right to cure the default.

(Name and address of secured party)
(Date)

NOTICE OF OUR PLAN TO SELL PROPERTY

(Name and address of any obligor who is also a debtor)

Subject: (Identification of Transaction)

We have your (describe collateral), because you broke promises in our agreement. *It is our intention to file for a repossessed title and dispose of the collateral as follows.*

(For a public disposition)

We will sell (describe collateral) at public sale. A sale could include a lease of license.

The sale will be held as follows:

Date: _____

Time: _____

Place: _____

You may attend the sale and bring bidders if you want.

(For a private disposition)

We will sell (describe collateral) at private sale sometime after (date). A sale could include a lease or license.

The money that we get from the sale (after paying our costs) will reduce the amount you owe. If we get less money that you owe, you (will or will not, as applicable) still owe us the difference. If we get more money than you owe, you will get the extra money, unless we must pay it to someone else.

You can get the property back at any time before we sell it by paying us the full amount you owe (not just the past due payments), including our expenses. To learn the exact amount you must pay, call us at (telephone number).

If you want us to explain to you in writing how we figured the amount that you owe us, you may call us at (telephone number) or write us at (secured party's address) and request a written explanation. (We will charge you \$_____ for the explanation if we sent you another written explanation of the amount you owe us within the last six months).

If you need more information about the sale call us at (telephone number) or write us at (secured party's address).

We are sending this notice to the following other people who have an interest in (describe collateral) or who owe money under your agreement: (Names of all other debtors and obligors, if any)

**NOTICE OF SALE OF COLLATERAL
AND POSSIBLE DEFICIENCY**

Date _____

Lender
Street Address
City, Town
Telephone

Dear _____

Because you defaulted on your loan, we repossessed the _____ securing the loan. We sold this collateral on _____.

The deficiency (surplus) is: \$ _____

Here is how we calculated that amount.

Total amount due at the time of the repossession \$ _____

Less Refund of Unearned interest _____

Less Unearned Credit Insurance _____

Net amount due Lender prior to sale \$ _____

Proceeds of the sale \$ _____

Net amount due Lender after sale \$ _____

Expenses of Sale

Repossession Charge _____

Storage charges _____

Preparation for sale _____

Repairs _____

Other (Describe) _____

Other (Describe) _____

Total Expenses \$ _____

Deficiency (Surplus) \$ _____

If the sale resulted in a deficiency balance interest will continue to accrue on that balance at the rate of \$_____ per day until the loan is paid in full.

If you have any questions or wish additional information you may call us at (telephone number) (or write us at (secured party's address)).

(Deficiency Notice)