

SAMPLE

(Business Letterhead)

(Date)

(Lienholder Name)

(Lienholder Address Line 1)

(Lienholder Address Line 2)

(Lienholder City, State, Zip)

RE: Lien Payoff & Title Delivery
(Account #)
(Owner Name & Vehicle information –Yr, Make, & VIN)

To Whom It May Concern:

This letter is regarding a lien payoff of the account for the aforementioned customer and vehicle. *(Dealership Name)* has purchased this vehicle from the customer. Your company was mailed a lien payoff check on *(date)* which cleared our account on *(date)*. We were informed upon follow-up the title will be held until *(insert appropriate number)* days after payoff and then released.

Indiana law states “A person having possession of a certificate of title for a motor vehicle, semitrailer, or recreational vehicle because the person has a lien or an encumbrance on the motor vehicle, semitrailer, or recreational vehicle must deliver not more than ten (10) business days after receipt of the payment the satisfaction or discharge of the lien or encumbrance indicated upon the certificate of title to the person who: 1) is listed on the certificate of title as owner or the motor vehicle, semitrailer, or recreational vehicle; or 2) is acting as an agent of the owner and who holds power of attorney for the owner of the motor vehicle, semitrailer, or recreational vehicle.” (I.C. 9-17-5-1)

Indiana Code 9-17-3-3 provides a dealer a \$100 claim against a third party (lienholder) for initial non-delivery of title. It further provides that if the failure continues for ten (10) business days after the dealer gives the third party written notice of failure, the dealer is entitled to claim all damages sustained by the dealer in rescinding the dealer’s sale with the purchaser, including the dealer’s reasonable attorney’s fees.

Therefore, by withholding this title, you have directly violated Indiana Code. *(If applicable, insert the following statement: Out of state lenders ARE subject to Indiana law if their lien is recorded on an Indiana title.)* We are requesting the recourse fee of \$100 of which we are entitled and delivery of said title with lien release within ten (10) business days from receipt of this notice as prescribed by Indiana law. If the demand of the fee and title are not met within said timeframe, we will seek legal action as provided by Indiana law.

If you would like to overnight the title and fee, please send to:

(Dealership Name)
(Street Address)
(City, State, Zip)

If you would like to send the title and fee via USPS mail, please send to:

(Dealership Name)
(Post Office Box)
(City, State, Zip)

Thank you for your attention to this matter.

Sincerely,

(Name of Authorized Dealership Individual)
(Title)