

When a Business Closes or Goes Bankrupt

<http://www.bbb.org/denver/business-reviews/deck-builder/industry-tips/when-a-business-closes-or-goes-bankrupt>

It is quite distressing to a customer when a company that owes them merchandise, service or a refund suddenly goes out of business. To avoid this predicament, your BBB offers the following advice:

*Avoid paying for any products or services in advance whenever possible. If it is required, make sure you have a written agreement with the company that clearly spells out what they will do for you should they suddenly close or go bankrupt.

*Regarding rebates and warranties, make sure this same information is also found in those written agreements.

*Keep meticulous documentation of all transactions. Invoices, receipts, names of employees you worked with and other documentation are extremely important in recovering refunds or products from a closed business.

*Pay using a credit card. If you pay by cash or check and the company closes, you will not likely be able to recover those funds. Under the Fair Credit Billing Act and certain credit card companies' rules, consumers whose merchandise was undelivered can usually get a refund on their credit card, (the process may take some time, however).

IF A COMPANY HAS CLOSED ITS DOORS AND/OR GONE BANKRUPT AND OWES YOU MONEY OR MERCHANDISE:

*Try to contact the company directly first with a certified letter.

*If the certified letter goes unanswered and there is no way to contact the company, you can file a dispute with your credit card company if that was your method of payment. To be eligible under the Fair Credit Billing Act, you must file the dispute within 60 days of the transaction.

*If the company goes bankrupt, you may be paid after the business liquidates its assets. To protect your rights in the bankruptcy proceeding, complete a Proof of Claim form and file it with the bankruptcy court.

*There is no guarantee that a customer will get money or merchandise owed in any situation. If you are owed a large amount of money, consider contacting a private attorney.

*You may also file a formal complaint against the company with the Colorado Attorney General's Consumer Protection Division. Though the Office of the Attorney

General cannot take legal action on behalf of individuals, action may be taken to enforce state law and in some actions can produce restitution for consumers.

- See more at: <http://www.bbb.org/denver/business-reviews/deck-builder/industry-tips/when-a-business-closes-or-goes-bankrupt#sthash.ABZ7W0dW.dpuf>