

What Is a Cure Claim and What Does It Mean That the Buyer Has to Provide Adequate Assurance of Future Performance Under My Contract?

Creditor's Rights Toolkit

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Section 365 of the Bankruptcy Code allows a debtor to assume (retain) or assume and assign an executory contract to a third party, provided that all monetary and nonmonetary defaults are cured. In addition to curing all defaults, Section 365 of the Bankruptcy Code requires that the party to whom a debtor seeks to assign an executory contract provides adequate assurance of future performance under the contract.

This article briefly explains the key issues of a Cure Claim in a bankruptcy case. To access this article and read other insights from our Creditor's Rights Toolkit, [please click here](#).

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