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| **Re:** | **Demand for Payment** |

Dear [Name],

This letter will serve as formal notice to you that you are in default of your obligation to repay the sum of [Amount Owing] due to [Give Reason]. This amount has been overdue since [Date] and you have failed to repay the same despite repeated requests for payment by [Creditor Name].

This will be your only chance to settle this matter before [Creditor Name] files a lawsuit against you.

[Creditor Name] is agreeable to a lump sum payment, or to a payment plan. Please contact [Creditor Name] on or before [Due Date] for purposes of settling this matter. If [he/she] does not hear from you on or before [Due Date], [Creditor Name] will file a lawsuit against you without further notice. It is in your best interest to settle this matter before a lawsuit is filed. If a judgment is obtained against you, it will negatively affect your ability to get credit, you will be ordered to pay court costs, and you will incur interest on the amount owed.

Based on the foregoing, I expect payment in the amount of [$\_\_\_\_\_\_\_\_] made payable to [Creditor Name], [Creditor’s Address] no later than [Due Date]. If you decide to ignore this demand for payment, [Creditor Name] will further pursue all of its legal remedies without further notice to you. This letter serves as evidence that [Creditor Name] has attempted to resolve this matter informally.

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| Sincerely,  [Creditor Name] |  |