

[Date]

[Customer Name]
[Street Address]
[City, State, Zip Code]

Account Number ending in: [Last 4 Digits of Card Number]

IMPORTANT NOTICE REGARDING YOUR INTEREST RATE

Dear [Customer Name],

This letter is to inform you that we have not received the minimum payment due for your billing cycle ending [Date]. As a result, your account is currently [Number] days past due.

According to the terms of your Cardmember Agreement, your account is now subject to a **Penalty Interest Rate**. Please review the details below regarding how this affects your account:

- **Current APR:** [Current Rate]%
- **New Penalty APR:** [Penalty Rate]%
- **Effective Date:** [Date]

The Penalty APR will apply to all new transactions and existing balances. This rate may remain in effect indefinitely unless we receive [Number] consecutive on-time monthly payments. If you continue to miss payments, your account may be subject to additional late fees and potential account closure.

How to avoid the Penalty APR:

To prevent this rate increase from taking effect, we must receive a minimum payment of \$[Amount] by [Deadline Date].

If you have already made this payment, please disregard this notice. If you are experiencing financial hardship, please contact our Customer Service department at [Phone Number] to discuss available payment options.

Sincerely,

[Sender Name/Department]
[Financial Institution Name]