

Date: [Insert Date]

To: [Debtor Name]

Address: [Debtor Address]

Account Number: [Insert Account Number]

RE: ADVISORY OF INTENT TO EXERCISE RIGHT OF SETOFF

Dear [Debtor Name],

This letter serves as formal notice regarding the outstanding balance on your [Loan/Credit Type] account, which is currently [Number] days past due. As of the date of this letter, the total delinquent amount is \$[Insert Amount].

Please be advised that under the terms of your [Account/Loan] Agreement and applicable law, [Financial Institution Name] holds a contractual and legal Right of Setoff. This allows us to apply funds from any of your other accounts held with this institution to satisfy the defaulted debt.

Intent to Setoff:

If the delinquent balance is not paid in full or a satisfactory payment arrangement is not established by [Insert Deadline Date], we intend to exercise this right. We may withdraw funds from your [Savings/Checking/Certificate of Deposit] account(s) ending in [Last 4 Digits of Account] and apply them toward your outstanding debt without further notice.

To prevent this action, please contact our Collections Department immediately at [Phone Number] or remit the total past due amount via [Accepted Payment Method].

If you have already sent your payment, please disregard this notice.

Sincerely,

[Sender Name]

[Title]

[Financial Institution Name]