

Date: [Insert Date]

TO: [Cardholder Name]

ADDRESS: [Cardholder Address]

ACCOUNT NUMBER: [Insert Partial Account Number]

RE: FORMAL DEMAND FOR PAYMENT OF ACCRUED DEFAULT PENALTIES

Dear [Cardholder Name],

This letter serves as a formal demand for the immediate payment of accrued penalties and late fees associated with your outstanding credit card balance. As of [Insert Date], your account remains in default.

Pursuant to the terms and conditions of your Credit Card Agreement, the following charges have been applied to your account due to non-payment:

- **Past Due Principal Balance:** [Insert Amount]
- **Accrued Late Payment Fees:** [Insert Amount]
- **Default Interest/Penalties:** [Insert Amount]
- **TOTAL AMOUNT DUE:** [Insert Total Amount]

Please be advised that failure to remit the total amount due by [Insert Deadline Date] will result in further escalation. This may include, but is not limited to, the following actions:

1. Reporting the delinquency to national credit bureaus, which may negatively impact your credit score.
2. Permanent closure of your credit facility.
3. Referral of your account to an external collection agency or legal counsel for litigation.

To prevent further penalties, please make payment via [Insert Payment Method] or contact our Collections Department at [Insert Phone Number] to discuss a repayment plan.

If you have already made this payment, please disregard this notice.

Sincerely,

[Your Name/Department]

[Financial Institution Name]

[Contact Information]