

**Date:** [Insert Date]

**TO:** [Borrower Name]

**ADDRESS:** [Borrower Address]

**ACCOUNT NUMBER:** [Insert Account Number]

**SUBJECT: FINAL NOTICE BEFORE LEGAL ACTION / DEBT COLLECTION TRANSFER**

Dear [Borrower Name],

This letter serves as formal notification that your payday loan account with [Lender Name] is now severely past due. Despite previous attempts to contact you regarding your outstanding balance of \$[Total Amount Owed], the debt remains unpaid.

Please be advised that this is your **FINAL WARNING**. If we do not receive payment in full or an agreed-upon repayment plan within [Number of Days, e.g., 7] days of the date of this letter, we will take the following actions:

- Transfer your account to a third-party debt collection agency.
- Report your delinquency to major credit bureaus, which may negatively impact your credit score.
- Initiate legal proceedings to recover the debt, which may include court costs and attorney fees.

**PAYMENT OPTIONS:**

To prevent further action, please pay via one of the following methods:

- Online: [Link to Payment Portal]
- Phone: [Phone Number]
- Mail: Send a check or money order to [Lender Address]

If you are experiencing financial hardship, please contact our collections department immediately at [Phone Number] to discuss potential settlement options or a modified payment plan.

Govern your actions accordingly.

Sincerely,

[Sender Name/Department]

[Company Name]

[Phone Number]