

FINAL DEMAND FOR PAYMENT

Date: [Insert Date]

To: [Debtor Name]

Address: [Debtor Address]

RE: NOTICE OF FINAL DEMAND FOR UNPAID DEBT

Dear [Debtor Name],

This letter serves as a final formal demand for the payment of the outstanding balance of \$[Total Amount Owed], which was due on [Original Due Date]. Despite previous reminders, this account remains unpaid.

If payment is not received in full by [Deadline Date], we will be forced to take formal legal action to recover the debt, which may include interest, legal fees, and court costs.

However, in an effort to resolve this matter without litigation, we are prepared to offer a formal Settlement Agreement as outlined below.

SETTLEMENT AGREEMENT

The Creditor, [Your Name/Company Name], and the Debtor, [Debtor Name], hereby agree to settle the outstanding debt under the following terms:

1. **Settlement Amount:** The Creditor agrees to accept a reduced sum of \$[Settlement Amount] as full and final satisfaction of the debt.
2. **Payment Deadline:** This settlement amount must be received by [Settlement Payment Date].
3. **Payment Method:** Payment shall be made via [Check/Bank Transfer/Credit Card].
4. **Release of Liability:** Upon receipt and clearing of the settlement payment, the Creditor shall release the Debtor from any further liability regarding this specific debt.
5. **Default:** If the Debtor fails to pay the settlement amount by the agreed date, this offer is void, and the full original balance of \$[Total Amount Owed] shall become immediately due.

To accept this offer, please sign below and return a copy of this letter along with the payment.

Creditor Signature: _____

Date: _____

Debtor Signature: _____

Date: _____