

## **URGENT: NOTICE OF INTENT TO INITIATE LEGAL PROCEEDINGS**

Date: [Insert Date]

To: [Debtor Name]

Address: [Debtor Address]

City, State, Zip: [Debtor City, State, Zip]

Re: Formal Demand for Payment - [Account Number/Reference Number]

Dear [Debtor Name],

This letter serves as formal notice that your account is seriously past due. As of the date of this letter, you owe a total balance of \$[Total Amount Owed], which includes [Principal, Interest, and Fees].

Despite previous attempts to resolve this matter, we have not received the outstanding balance. Please be advised that if payment is not received in full or a settlement agreement is not executed by [Deadline Date], we will have no choice but to refer this matter to our legal counsel to initiate a formal lawsuit against you.

### **SETTLEMENT STIPULATION OFFER**

To avoid the time and expense of litigation, we are prepared to offer a final settlement under the following stipulations:

- **Lump Sum Option:** We will accept a reduced payment of \$[Settlement Amount] if paid by [Date].
- **Payment Plan Option:** We will accept [Number] monthly installments of \$[Installment Amount] starting on [Start Date].
- **Release of Liability:** Upon successful receipt and clearance of the agreed settlement funds, we will consider the debt paid in full and cease all collection activities regarding this specific balance.

If you fail to accept this settlement offer or pay the full balance by [Deadline Date], we will seek a court judgment against you. This may include the principal amount, accrued interest, court costs, and reasonable attorney fees. A judgment may also lead to wage garnishments or liens against your property.

Please contact us immediately at [Phone Number] or [Email Address] to confirm your acceptance of this settlement or to arrange payment.

Sincerely,

[Your Name/Company Name]  
[Your Title]  
[Your Phone Number]