

[Your Name/Company Name]

[Your Address]

[City, State, Zip Code]

[Phone Number]

[Email Address]

[Date]

[Debtor Name]

[Debtor Address]

[City, State, Zip Code]

**RE: NOTICE OF ESCALATION - BROKEN PAYMENT ARRANGEMENT**

Account Number: [Account Number]

Total Overdue Balance: \$[Amount]

Dear [Debtor Name],

This letter serves as formal notice that you have failed to adhere to the payment arrangement established on [Date Agreement Was Made]. As of today, we have not received your scheduled payment of \$[Amount] which was due on [Due Date].

Due to this breach of agreement, your account has been officially escalated. The previous installment plan is now considered void, and the full outstanding balance of \$[Total Amount] is due immediately.

To prevent further action, you must remit the full balance or contact our office at [Phone Number] by [Deadline Date] to resolve this matter. Failure to respond will result in your account being referred to [a third-party collection agency / our legal department] for further recovery efforts.

Please disregard this notice if payment has already been sent.

Sincerely,

[Your Name/Signature]

[Your Title]