


Notice of Past Due Account

Final Notice

- 🔊 Your “Final Notice of Past Due Account” is your third and final notice to send to a customer who has not yet paid an invoice. (There is the “Notice of Intent to Repossess” as well as serving them with a Summons to Small Claims court...)
- 🔊 We provide three notice letter forms:
 - This “First Notice of Past Due Invoice” is a friendly reminder that the amount is due. Your customer may have failed to pay for an innocent reason, like losing the invoice or a mistake in their accounting department – this serves as a friendly reminder. You may need to send the invoice again.
 - The second and third notices are progressively stronger in tone.
 - The third / final notice presumes that your customer is well aware of their balance due and is simply sing to pay or does not have the money. Again, pick up the phone...
 - Then there is that nasty “Notice of Intent to Repossess”
- 🔊 This third notice will alert your customer that you are done being ‘nice’ and that you are about to take drastic action like referring them to a collection agency. This can adversely affect a customer's credit rating and most reputable customers won't want this to happen.
- 🔊 The amount of time between notices is up to you. We recommend that the “Third Notice of Past Due Account” be sent about ten days after the Second Notice. However, depending upon whether or not they responded at all to your second notice, as well as your original agreement with your customer, you may want to extend this period.
- 🔊 While this third notice suggests that their account will be immediately referred for collection, you should wait a few days before taking any action. A delinquent customer may immediately contact you to make other arrangements or quickly pay off the balance, rather than face any legal or collection action.
- 🔊 Remember, your “paper trail” is crucial for prevailing in legal matters and written notices are helpful for providing permanent records of your efforts to collect. Nevertheless we recommend that you also pick up the telephone and contact your customer to try to determine why payment is delayed.
- 🔊 You would do well to document every call you make, to whom you called, time of days, message left, etc.
- 🔊 Now what? After waiting a few days for the money to appear, you will need to consider what action to take next. A collection agency will collect as much as possible and retain a percentage as their commission. Many attorneys specialize in collections and will work on a similar contingency fee basis. Don't expect any of these people to be nice to your customer. If you are a sales-oriented person, you hate losing a customer since they are often difficult to come by, but what good are they if they never pay?
- 🔊 See also the “Small Claims Court Worksheet” in the event this is going to get ugly.

From JIAN

NOTICE:

We wish we could provide an agreement that was tailored *exactly* to your business. While this is not always possible, we feel that we've come very close and that this document provides you with the head-start that you need to get your deal moving. Nevertheless, we must make this disclaimer:

- 🔴 **Do Not Use This Agreement 'As-Is.'**
- 🔴 **This Agreement Is Not Legal Advice.**
- 🔴 **Read it Thoroughly and Make All Appropriate Changes to Fit Your Requirements.**
- 🔴 **You Should Have this Agreement Reviewed and Approved by a Qualified Attorney at Law Before Using It.**
- 🔴 **JIAN Accepts No Liability for the Effectiveness of This Document For Your Purposes.**

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We're building a network of business experts who are eager to help you when you need it. They can review your work, make suggestions, handle unique situations and introduce you to influential people. On our website you can search by expertise and location, then e-mail or jump straight to their website. Although they are professionals and charge for their services, most offer an initial consultation free of charge. They're in your area and you can contact them directly.


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Things change, laws change, the world changes... new ideas come along all the time. When you register, you can access our website to get updates and changes... like new and improved spreadsheets and documents. They can be downloaded directly to your computer.

- Please visit our website under [Updates](#).
- Remember to bookmark our website: www.JIAN.com

Editing Your Sample Contract

Since this entire agreement is formatted in Word, you can edit it like any other Word document. You can jump from variable to variable by clicking the above  green arrows (JIAN Menu) which will take you forward / backward and highlight the entire sample text identified within the “[]” brackets – simply edit / type-over with your information.

To make sure you have filled in all the variables, use Word's 'FIND' function to locate any “[]” which may contain an unedited variable.

- Click the  icon in the JIAN menu above to turn the expert comments on/off.
- Upon completion, delete any unnecessary blank lines that remain.
- You may format this document any way you like.
- Delete this page.

[Company Legal Name]

[Address] * [City], [State] [Zip Code]

[Telephone] * [WebSite Address]

[Date]

[Buyer]

[Buyer's Address]

Dear [Buyer's Representative],

Re: **Past Due Account ~ Final Notice**

This notice concerns the balance  due from you which we have never received...

- Invoice Number **[Invoice Number]**
- Invoice Date **[Invoice Date]**
- Invoice Amount **\$000,000.00**

We have decided to assign your delinquent account for collection in order to collect the balance due us.

While this is not a decision we make hastily, it appears this is the only alternative we have in collecting on your account.

If you would, please rectify this situation as soon as possible.

We appreciate your immediate attention to this matter.

Thank you very much.

Respectfully,

[Owner/Founder]

[Title]

[Company]