

Sample Demand Letters

I have provided a series of suggested demand letters, which can be described as follows:

NB: all text highlighted in square brackets [like this] in the text, is intended to be removed from the final form of the letter and replaced by you with the text relevant to your situation.

First Letter: Urgent Demand

The first is intended to be sent after the expiry of your 90 day period of three statements. You can adjust the wording to suit your own circumstances, e.g. if you don't issue regular statements or if you've allowed more than 90 days to elapse you might not want to refer to any period of time that the debt has been outstanding.

I have made reference to an enclosed addressed envelope in the letter, this is obviously optional. But it strikes me that you might think of doing everything possible to make it easy for the debtor to pay at this stage. (I'm talking addressed envelope only here, I'm not suggesting you to pay for the stamp. If you can't be bothered enclosing the envelope, just leave it out.)

Second Letter: Second Urgent Demand

The second is intended to be sent 14 days after the first. Obviously, change the reference to the number of days the debt is outstanding to suit our circumstances.

Again, see the reference to the envelope, this is optional and can be omitted as you see fit.

Third Letter: Final Demand

The third is intended to be sent 7 days after the second. At this point we've dispensed with niceties like envelopes and the progression towards legal action is quite clear.

Fourth Letter: *Threat of Immediate Legal Action for Non-payment of Debt*

The fourth is intended to be sent 7 days after the third. This is akin to a solicitor's letter threatening debt collection proceedings and sets out in detail for the debtor the consequences that he or she may face if that route is taken.

You might want to consider sending this final letter, or indeed any of them, by registered post. Registering the letter will not have any effect legally, but receipt of a registered letter may have more impact. Of course, if you do register the letter and it is returned because it is not collected, send it again by ordinary post.

WARNING: None of these letters form part of any formal legal process and will not make any difference in terms of your legal ability to recover in the event that you do issue proceedings. The purpose of these suggested letters is to encourage payment before embarking on the route of legal proceedings and incurring costs. However, if you overstate your case, you exaggerate the consequences or the legal remedies available to you or you act in a menacing way towards your debtors you will do your prospects of recovery far more harm than good.

And remember, none of this is legal advice, if that's what you want, engage a qualified professional.

[First Demand Letter]

[To be placed on your headed paper]

[Name of Debtor]

[Address of Debtor]

[Date of Letter]

Re: Outstanding Debt of € [Insert Amount]

URGENT DEMAND

Dear [Mr/Ms Surname of Debtor],

You will note that the sum of €[Amount Due] is due by you. This amount is now outstanding more than **90** days.

We would like to draw it to your attention that in the event of non-payment by you we will commence our legal Debt Collection procedure in respect of your case and we will pursue the amount due by you together with legal costs until settled in full.

It is strongly in your interests to avoid the additional expense and embarrassment of a court appearance. We strongly advise you to take this opportunity to reach an amicable solution.

Please now pay the sum of €[Amount Due] due by you and return it to us by return of post [in the attached addressed envelope].

Yours faithfully,

NB: When we instruct solicitors to litigate on our behalf, we pursue all cases to judgment and pursue recovery of all associated legal costs. We publish all registered judgments in trade journals including Stubbs Gazette and the Irish Credit Bureau. Appearing in trade journals such as Stubbs Gazette and having a judgment registered with the Irish Credit Bureau will have a severe impact on an individual's or a company's credit rating and will make it considerably harder and more expensive for them to obtain credit in the future.

[Second Demand Letter]

[To be placed on your headed paper]

[Name of Debtor]

[Address of Debtor]

[Date of Letter]

Re: Outstanding Debt of € [Insert Amount]

SECOND URGENT DEMAND

Dear [Mr/Ms Surname of Debtor],

We refer to our letter to you of [insert date]. You will note that the sum of **€[Amount Due]** is due by you. This amount is now outstanding more than **104** days.

We would like to draw it to your attention that we have now commenced our legal Debt Collection procedure in respect of your case and we will pursue the amount due by you together with legal costs until settled in full.

It is strongly in your interests to avoid the additional expense and embarrassment of a court appearance. We strongly advise you to take this opportunity to reach an amicable solution.

Please now pay the sum of **€[Amount Due]** due by you immediately and return it to us by return of post [in the attached addressed envelope].

Yours faithfully,

NB: When we instruct solicitors to litigate on our behalf, we pursue all cases to judgment and pursue recovery of all associated legal costs. We publish all registered judgments in trade journals including Stubbs Gazette and the Irish Credit Bureau. Appearing in trade journals such as Stubbs Gazette and having a judgment registered with the Irish Credit Bureau will have a severe impact on an individual's or a company's credit rating and will make it considerably harder and more expensive for them to obtain credit in the future.

[Final Demand Letter]

[To be placed on your headed paper]

[Name of Debtor]

[Address of Debtor]

[Date of Letter]

Re: Outstanding Debt of €[Insert Amount]

FINAL DEMAND

Dear [Mr/Ms Surname of Debtor],

We regret to note that despite previous letters the above balance is still outstanding.

Unless you contact us within 48 to agree payment:

1. We will commence our legal Debt Collection Procedure against you and place the matter in the hands of our solicitors to issue legal proceedings against you for the full amount overdue including interest and legal costs.
2. In the event that judgement is entered against you in those proceedings, we will register the judgment and publish it in all relevant trade journals, including Stubbs Gazette and the Irish Credit Bureau.

Yours faithfully,

NB: When we instruct solicitors to litigate on our behalf, we pursue all cases to judgment and pursue recovery of all associated legal costs. We publish all registered judgments in trade journals including Stubbs Gazette and the Irish Credit Bureau. Appearing in trade journals such as Stubbs Gazette and having a judgment registered with the Irish Credit Bureau will have a severe impact on an individual's or a company's credit rating and will make it considerably harder and more expensive for them to obtain credit in the future.

[Letter in Advance of Legal Proceedings]

[To be placed on your headed paper]

[Name of Debtor]

[Address of Debtor]

[Date of Letter]

Re: Threat of Immediate Legal Action for Non-payment of Your Debt to Us

Amount of Debt - €[Insert Amount]

Dear [Mr/Ms Surname of Debtor],

We refer to your overdue account full details of which have previously been supplied to you in writing. We note that the amount of €[Insert Amount] is currently outstanding and payment has not been made in respect of your account in over 120 days, despite our repeated reminders.

We wish to inform you that we have a strict policy of pursuing all debts owed to us. Accordingly if payment is not made in respect of the above account within **SEVEN (7) DAYS** of the date of this letter we will be forced to instruct our solicitors to initiate legal proceedings to recover the debt owed by you.

Please note that in the event that we instruct our solicitors initiate legal proceedings against you an application will also be made to the court to have you fixed with the legal costs of these proceedings along with any other fees which are necessary and incidental to the same, including any barristers' fees, court stamp duty and any other associated costs.

Please further note that an application will also be made to have you fixed with interest on the amount owed by you pursuant to the Courts Act 1981. The rate of interest applicable will be 8%.

In the event that proceedings are issued and judgment is obtained against you, arrangements will be made for the immediate publication of the judgment in all appropriate trade journals, including Stubbs Gazette and the Irish Credit Bureau. This will have an extremely adverse, and potentially permanent, effect on your credit rating.

In the event that judgment is entered against you, and not paid in full, we will be obliged to instruct our solicitors to issue a court summons requiring you to appear personally before a court, provide a sworn written statement of means and then be publically cross examined in open court on your personal financial circumstances.

If we are forced to retain our solicitors to pursue this debt on our behalf, they will also be instructed to register any judgments obtained against any property you may own and to pass the same to the sheriff to levy execution against you. In the event that judgments are registered as mortgages against property owned by you we may then take action to force the sale of such property in order to satisfy our judgment.

If we do not receive your payment in the amount of €[Insert Amount] within **SEVEN DAYS** of the date of this letter we will instruct our solicitors to commence legal proceedings against you immediately without further notice.

Please give this matter your immediate attention and contact us immediately to settle this outstanding debt in order to avoid legal action being commenced against you without further notice.

Yours faithfully,