

DEMAND LETTER — CONTRACT DISPUTE & SETTLEMENT OFFER

Payment Dispute / Breach of Contract · Sample / Educational Use Only

[Sender / Claimant Name or Business Name]

[Address · City, State ZIP · Phone · Email]

May 21, 2026

[Recipient / Respondent Name or Business Name]

[Address · City, State ZIP]

RE: Formal Demand for Payment and Settlement — Contract Dispute Contract / Agreement
Reference: [Contract Name or No.] · Date of Agreement: [Date]

Dear [Recipient Name],

This letter serves as formal notice of a breach of contract and constitutes a demand for payment and settlement of all amounts owed under the agreement described below. Despite prior written and verbal requests, you have failed to meet your obligations. Please review this demand carefully and respond within **14 days** of receipt.

I. BACKGROUND AND CONTRACT TERMS

On [Date], the parties entered into a written agreement (the "Agreement") under which [Sender] agreed to [describe services, goods, or obligations provided — e.g., provide software development services / deliver goods / complete construction work]. In exchange, [Recipient] agreed to pay the total sum of **[\$Contract Amount]** according to the following payment schedule: [describe milestones, due dates, or payment terms].

[Sender] performed all obligations under the Agreement in full. Specifically, [describe what was delivered / completed / provided, with dates]. Despite timely and satisfactory performance, [Recipient] has failed to remit payment.

II. AMOUNTS OWED

Description	Amount
Outstanding invoice(s) — [Invoice No(s).]	[\$Amount]
Late payment interest ([X]% per [month/year])	[\$Amount]
Costs incurred due to breach (itemize)	[\$Amount]
Attorney / collection fees (if contractual)	[\$Amount]

TOTAL AMOUNT DUE	#[Total]
-------------------------	-----------------

III. PRIOR ATTEMPTS TO RESOLVE

The undersigned has made repeated good-faith efforts to resolve this matter without litigation. Specifically, the following communications were sent and received no satisfactory response:

- [Date] — Email to [Recipient] requesting payment of outstanding invoice(s)
- [Date] — Phone call to [Recipient / Contact Name]; no commitment to pay obtained
- [Date] — Written notice sent via [certified mail / email] — no response received

IV. SETTLEMENT DEMAND

In the interest of resolving this matter without the expense and delay of litigation, the undersigned hereby offers to settle all claims for the sum of **#[Settlement Amount]**, representing [full amount owed / a reduced amount as a good-faith compromise]. This offer is contingent upon receipt of payment in full within **14 calendar days** of the date of this letter.

If payment is not received within this period, this settlement offer will be deemed withdrawn. The undersigned will pursue all available legal remedies, including but not limited to filing suit in [appropriate court], seeking full damages plus pre- and post-judgment interest, court costs, and attorney's fees as permitted by the Agreement and applicable law.

V. REQUIRED ACTION

To accept this settlement, remit payment of **#[Settlement Amount]** by [Deadline Date] via:

- Check payable to [Sender Name] mailed to the address above
- Wire transfer to: [Bank Name · Account No. · Routing No.]
- ACH / electronic payment to: [Payment platform / instructions]

Upon receipt of the full settlement amount, the undersigned will execute a mutual release of all claims arising from the Agreement.

Sincerely,

[Sender Full Name / Authorized Representative]

[Title, if business] · [Attorney, if applicable]

Enclosures: Copy of Agreement · Invoices · Correspondence · Proof of delivery / completion

DISCLAIMER: This is a sample template for educational purposes only. It does not constitute legal advice. Contract law and demand letter requirements vary by jurisdiction and agreement terms. Consult a licensed attorney before sending any demand letter.

