[DATE]

Contact Name

Address

Address2

Country

City /Province

Postal Code

**RE: TRANSFORMATION OF ACCOUNT TO C.O.D.**

Dear [CLIENT NAME],

This letter is regarding our telephone conversation about the past due balance on your account.

Perhaps your remittance to clear this amount has been mailed, and if so, please accept our thanks. However, if it has not yet been sent, we hope a cheque can be put in the mail in the next couple of days to bring your account up to date. All merchandise orders are currently being referred to us. Your cheque to clear this past due balance must be received before future shipments can be made.

We are sorry to see that your account carries a past due balance. During our meeting, we stated that we were willing to continue our extension of credit at the present level with the understanding that your account is maintained on a current basis.

Unfortunately, this has not been the case, so it will be necessary for us to review the current credit arrangements on your account. However, we will not be in a position to extend any credit until the past due charges on your account have been cleared. Once these charges have been cleared from your account, we will review the credit arrangements that we currently have on your account. If these past due charges are not cleared within the next few days, regrettably we must withdraw our extension of credit on your account entirely.

Your cooperation and understanding to this matter will be greatly appreciated. Please do not hesitate to contact us if you have any questions.

Kind regards,

[NAME]

[TITLE]

[CONTACT NUMBER]

[COMPANY EMAIL]