

SENT VIA REGISTERED MAIL / EMAIL

Date: [Insert Date]

To: [Guarantor Name]

Address: [Guarantor Address]

RE: NOTICE OF DEFICIENCY AND SETTLEMENT OFFER

Account Number: [Insert Account Number]

Original Debtor: [Insert Name of Primary Borrower]

Outstanding Balance: \$[Insert Amount]

Dear [Guarantor Name],

This letter serves as a formal demand for payment regarding the personal guarantee you executed on [Date of Guarantee] in favor of [Creditor Name] for the obligations of [Primary Borrower Name].

The Primary Borrower has defaulted on its obligations. Following the liquidation of collateral/application of prior payments, a deficiency balance remains in the amount of \$[Insert Amount]. As Guarantor, you are personally liable for the full payment of this deficiency, plus accrued interest and applicable legal fees.

SETTLEMENT OFFER

While [Creditor Name] is prepared to pursue all legal remedies to collect the full balance, we are willing to offer a one-time settlement to resolve this matter amicably. [Creditor Name] will accept the reduced sum of \$[Insert Settlement Amount] as full and final satisfaction of the debt, provided that:

- Payment is received in certified funds no later than [Insert Deadline Date].
- A signed settlement agreement is executed by both parties.

CONSEQUENCES OF NON-PAYMENT

If we do not receive payment or a formal response by [Insert Deadline Date], this offer will be withdrawn. We reserve the right to initiate legal proceedings against you without further notice to recover the total outstanding balance, which may include additional court costs and attorney fees.

Please contact [Contact Person Name] at [Phone Number] or [Email Address] to arrange for payment or to discuss this matter further.

Sincerely,

[Your Signature]

[Your Printed Name]

[Title/Company Name]