[Date]

[Borrower Name]
[Borrower Address]
[City, State, Zip Code]

RE: NOTICE OF LOAN CHARGE-OFF AND ASSIGNMENT OF DEBT

Account Number: [Account Number]
Outstanding Balance: $[Amount]

Dear [Borrower Name],

This letter serves as formal notice that your personal loan account with [Original Lender Name] has been officially charged off as of [Date] due to non-payment. A "charge-off" means we have closed your account to future transactions and have written off the balance as a loss; however, you remain legally responsible for the full repayment of the debt.

Please be advised that your account, including all rights to collect the outstanding balance of $[Amount], has been assigned and sold to the following third-party entity:

New Creditor/Collection Agency: [Name of Third-Party]
Address: [Address]
Phone Number: [Phone Number]
Reference Number: [Reference Number]

Effective immediately, all future payments and communications regarding this debt should be directed to [Name of Third-Party]. [Original Lender Name] will no longer accept payments or negotiate settlements for this account.

The status of this account has been reported to the national credit reporting agencies, which may impact your credit score. We recommend contacting the new assigned owner of the debt immediately to discuss repayment options.

Sincerely,

[Your Name/Department]
[Original Lender Name]
[Contact Information]