[Company Letterhead]

[Date]

[Recipient Name/Title]
[Regulatory Agency Name]
[Address Line 1]
[Address Line 2]

**RE: Notice of Self-Disclosure - Regulation Z Finance Charge Understatement**

Dear [Recipient Name],

Pursuant to the requirements of the Truth in Lending Act (TILA) and Regulation Z, 12 CFR $ 1026, [Company Name] is formally disclosing a voluntary identification of finance charge understatements affecting certain consumer credit transactions.

**1. Description of the Error**
The error was identified on [Date] during a [routine audit/internal review]. The violation involved the miscalculation of [Specific Fees, e.g., prepaid finance charges] which resulted in an understated Finance Charge and an inaccurately disclosed Annual Percentage Rate (APR) on the TILA Disclosure Statements.

**2. Scope of Affected Transactions**
The error affected [Number] accounts originated between [Start Date] and [End Date]. The total amount of the finance charge understatements across all affected accounts is estimated at $[Amount].

**3. Corrective Action and Restitution**
In accordance with 15 U.S.C. $ 1640(b), [Company Name] has initiated the following remedial steps:

- Identification of all impacted consumers.
- Recalculation of the correct Finance Charges and APRs.
- Issuance of restitution payments to affected consumers totaling $[Amount] to ensure no consumer pays more than the amount actually disclosed.
- Correction of internal loan LOS settings to prevent recurrence.

**4. Notification to Consumers**
Written notification is being sent to all affected consumers along with any applicable refund checks. A sample copy of the consumer notification letter is attached to this disclosure.

**5. Contact Information**
Should you require additional documentation or have questions regarding our remediation plan, please contact [Contact Name] at [Phone Number] or [Email Address].

Sincerely,

[Signature]
[Name of Authorized Officer]
[Title]
[Company Name]