

Date: [Insert Date]

Lender Name: [Insert Lender Name]

Lender Address: [Insert Lender Address]

Account Number: [Insert Account Number]

Borrower Name: [Insert Borrower Name]

Borrower Address: [Insert Borrower Address]

Subject: Mutual Agreement for Voluntary Collateral Surrender and Debt Settlement

Dear [Insert Contact Person Name or Department],

This letter serves as a formal agreement between [Insert Lender Name] (the "Lender") and [Insert Borrower Name] (the "Borrower") regarding the voluntary surrender of the following collateral:

Description of Collateral: [Insert Description, e.g., Vehicle VIN, Property Address, or Serial Number]

Terms of Agreement:

- **Voluntary Surrender:** The Borrower agrees to voluntarily surrender the above-described collateral to the Lender on [Insert Date] at [Insert Location].
- **Full and Final Settlement:** Upon the successful transfer of the collateral, the Lender agrees to accept the asset in full satisfaction of the outstanding debt associated with Account Number [Insert Account Number].
- **Waiver of Deficiency:** The Lender hereby waives any and all rights to pursue a deficiency balance or seek further legal action against the Borrower regarding this specific debt.
- **Credit Reporting:** The Lender agrees to report the account to the relevant credit bureaus as "Settled," "Voluntary Surrender," or "Paid in Full" with a zero balance.
- **Condition of Asset:** The Borrower confirms the asset is being returned in its current condition, free of any additional undisclosed liens or encumbrances.

By signing below, both parties acknowledge and agree to the terms set forth in this Mutual Agreement.

Lender Signature: _____

Printed Name: [Insert Name]

Title: [Insert Title]

Date: [Insert Date]

Borrower Signature: _____

Printed Name: [Insert Name]

Date: [Insert Date]