

Date: [Insert Date]

To: [Lender/Creditor Name]

Attention: [Contact Person/Department]

Address: [Lender Street Address]

City, State, Zip: [City, State, Zip]

RE: Voluntary Surrender of Equipment and Settlement Offer

Account Number: [Insert Account Number]

Equipment Description: [Insert Make/Model/Serial Number]

Dear [Contact Person Name],

This letter serves as a formal notification that [Borrower Name] ("Borrower") is prepared to voluntarily surrender the equipment listed above, which currently serves as collateral for the aforementioned account.

Due to [briefly state reason, e.g., financial hardship or business closure], the Borrower is no longer able to maintain the payment schedule. To resolve this matter efficiently and avoid the costs of legal action or repossession, we propose the following settlement terms:

- **Voluntary Surrender:** The Borrower will make the equipment available for pickup or deliver it to a designated location by [Date].
- **Condition:** The equipment is being returned in "as-is" condition with normal wear and tear.
- **Full and Final Settlement:** In exchange for the voluntary surrender of the asset, the Lender agrees to accept the equipment in full satisfaction of the outstanding debt. The Borrower shall be released from any further liability, including any remaining principal, interest, fees, or deficiency balances.
- **Credit Reporting:** Upon acceptance, the Lender agrees to report the account to credit bureaus as "Settled in Full" or "Voluntarily Surrendered - Account Closed."

Please review this proposal. If these terms are acceptable, please provide a signed acknowledgement or a formal settlement agreement by [Deadline Date]. This offer remains valid until that time.

We look forward to resolving this matter amicably.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Title/Company Name]

[Your Phone Number]

[Your Email Address]

Acceptance of Settlement Offer

By signing below, [Lender Name] accepts the terms of the voluntary surrender and settlement as outlined above.

Authorized Signature: _____ Date: _____

Printed Name/Title: _____