
Sample 6: Letter to your lender asking to change your loan contract

25 Banksia Avenue
Treedale Qld 4234
6 June 2018

The Manager
ASD Credit Services
GPO Box 1234
Brisbane Qld 4000

Dear Sir or Madam

Re: Ferris, Loan Account Number 084 553

I am writing to ask for our credit contract to be varied due to temporary hardship. I am making this request under s. 72–75 of the National Credit Code.

My wife and I borrowed \$40,000 for a car on 12 November 2014 and have been making monthly payments of \$500 since that time. We made all of our payments on time last year with the exception of the June payment. This payment was made late because we were visiting relatives in north Queensland and forgot to ensure the money was in our account.

We paid that installment seven days late and rang your company to explain our mistake just before bringing the payment up to date. The money for last month's payment was not in our account when it was due. We have paid \$300 towards the outstanding amount and still owe \$200. We apologise for the delay in paying.

The problem is there has been an overtime ban at work and our family is experiencing short-term difficulty in meeting all our financial commitments. Overtime usually accounts for an extra \$400 a fortnight in my pay packet. My wife is a teacher's aide but has reduced her hours over the last two months due to her mother's ill health.

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We have recently had to pay for my wife's mother's funeral and the emotional stress of her death has placed an extra burden on the family.

I have been told the overtime ban at work is only until 1 July. My wife is resuming her usual hours of employment next week. We anticipate it will take until the beginning of August (three months) for us to get back on track.

In these circumstances, we are asking for last month's payment and the next two months' payments to be reduced to \$300. We would then catch up on the outstanding \$600 by increasing our payments from August to \$650 a month. We anticipate we will have all of the arrears repaid by December this year.

Thank you for considering our request. If you would like any more information about our finances, please call my wife at home any afternoon after 3.30 pm.

If we have not heard from you by next Friday, 15 June we will assume the proposal to reduce payments and provide for catch up of arrears is satisfactory to your company. We assume you will not take action about the payments currently outstanding on the basis the proposal in this letter is acceptable to you.

Yours sincerely

Louis Ferris

Louis and Jeanine Ferris
Ph: (07) 3182 5182