

Instruction: This is a model letter. Adapt to fit your facts and circumstances.

<date>

<Name>

<Company Name>

<address>

<address>

Re: _____

Dear _____ :

I am in receipt of your memorandum dated _____, 20____. Your recollection is correct that _____ voluntarily agreed to pay 1/2 of this claim. However, over the past year or so, _____ has refused to consummate the settlement even though we have contacted his attorney on a number of occasions. As a result of _____ refusal to move forward with the settlement, we were forced to seek the default judgment. After we set our Motion for Default Judgment for hearing, I received a letter from _____ attorney stating that he no longer represented _____, and subsequently _____ filed an answer, pro se, stating that he was in poor health, was going on social security disability, and had no funds to pay the amounts due. Further, _____ changed his position and stated that the debt was one belonging to the corporation rather than him personally.

Based on _____ answer, I believe that he did not go forward with the settlement because his health problems resulted in a lack of financial ability to pay the amount promised. I doubt very seriously that _____ has the financial ability to pay 1/2 of the amount due even if he still had the desire to do so. Nevertheless, I will be happy to contact _____ regarding him paying 1/2 of the amount due. Before doing so, however, I would like to know if you want to have the amount paid lump sum or whether you would be willing to accept monthly installments. This is purely for my benefit in negotiating with _____.

Please let me know your position on this matter, and I will proceed as instructed.

Sincerely,

BY:

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