



**M** Merrick Bank

October 30, 2013

RE: Account ending in [REDACTED]

Dear [REDACTED],

This letter is confirmation of your verbal commitment to participate in the Merrick Bank Extended Settlement Program. We will consider the above-referenced account settled, in full, when you pay 60.00% of the outstanding balance of \$1,863.50 which will be \$1,118.10.

**Terms of the Extended Settlement Program:**

- \* Your account balance stated in this letter accurately reflects what you owe as of the date of this letter.
- \* Your first payment has been scheduled for 11/29/2013.
- \* Continue to make monthly payments to the Bank in the amount of \$372.70.
- \* Payments must be made every month for 3 months.
- \* Failure to make monthly agreed payments will void the Settlement Program and the current outstanding balance will be owed in full.

**As long as you are participating in the Extended Settlement Program, Merrick Bank will:**

- \* Suspend all late, overlimit and monthly fees.
- \* Lower the finance charge on your account to 0% annual percentage rate.
- \* Cease collection activity as long as monthly payments are made on-time.
- \* Your account will be charged off and reported to the credit bureaus as "Paying Under a Partial Payment Agreement". You will not be able to use your account to make purchases or obtain any cash advances.

*If payments are not made every 30 days for the time frame described above, Merrick Bank reserves the right to exercise all of its rights in the collection of the full amount of your obligation, minus any payment made while you fulfilled your obligations under the terms of the Extended Payment Program.*

Additional payments can be made by calling [REDACTED] or you can mail a payment to [REDACTED].

After your settlement is complete, Merrick Bank will forgive any remaining balance and report to the credit bureau agencies that the account has been settled in full.

Lastly, please be advised that the Internal Revenue Service (IRS) requires financial institutions to report to it any cancellation or forgiveness of debt of six hundred (\$600) or more. If the settlement program described above includes the cancellation or forgiveness of debt of \$600 or more, IRS Form 1099C will be provided to you in January after all payments have been made, detailing the debt Merrick Bank has forgiven and the amount that will be reported to the IRS. You may want to contact your tax advisor if you have any questions regarding tax implications.

If you have any questions, please contact our office today, toll-free, at [REDACTED]. The hours of operation are Monday – Wednesday 8 am to 9 pm, Thursday 12:30 pm to 9 pm and Friday 8 am to 9 pm EST.

Sincerely,  
Merrick Bank