

Letter Title:

Sample Notice of Action Taken, Statement of Reasons and Counteroffer

Letter Description:

This letter can be used in compliance with the new FACT act regulations. This letter is a counteroffer to an applicant that did not meet your top tier decisioning.

Letter Content

Date

Dear Applicant: Thank you for your application for ----- . We are unable to offer you credit on the terms that you requested for the following reason(s):

- [reason code 1]
- [reason code 2]
- [reason code 3]
- [reason code 1]

We can, however, offer you credit on the following terms: -----

If this offer is acceptable to you, please notify us within [amount of time] at the following address: -----.

Our credit decision on your application was based in whole or in part on information obtained in a report from [name, address and [toll-free] telephone number of the consumer reporting agency]. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

You should know that the federal Equal Credit Opportunity Act prohibits creditors, such as ourselves, from discriminating against credit applicants on the basis of their race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), because they receive income a public assistance program, or because they may have exercised their rights under the Consumer Credit Protection Act. If you believe there has been discrimination in handling your application you should contact the [name and address of the appropriate federal enforcement agency listed in appendix A].

Sincerely,