

**SAMPLE LETTER**  
**HARDSHIP VARIATION**

**Important:**

This sample letter has been produced by Consumer Credit Legal Service (WA) Inc and is to be used as a guide only. **Seek legal advice if you have any queries relating to your specific issue.** You may ring us on (08) 9221 7066 for legal advice.

This letter (also called a hardship variation or notice or application) is a request to your creditor to vary the terms of your loan contract. The request is made to your creditor's internal dispute resolution process, commonly referred to as customer complaints or hardship assistance. Your creditor will consider your request if you are able to resume making regular payments in the future and your financial hardship is temporary.

Before preparing this letter you should read the [Step-by-Step Guide to Applying for a Hardship Variation](#), [Hardship Variation Fact Sheet](#) and [Hardship Variation Flow Chart](#).

Insert your details where appropriate and delete the square brackets and any information that does not apply to you. Always date your letters. Always keep a copy of the letter you send and a copy of any response from your creditor.

[YOUR NAME]  
[YOUR ADDRESS]

**Step 1:** Fill in your name and the date

[TODAY'S DATE]

[CREDITOR'S NAME]  
Attention: Internal Dispute Resolution and Complaints Division  
[CREDITOR'S ADDRESS]

**Step 2:** Write to your creditor's internal dispute resolution department.  
  
Search their details on the [Financial Ombudsman Service](#) website or the [Credit and Investments Ombudsman](#) website.

Dear Sirs or Mesdames

**RE: [YOUR NAME]**  
**Account No. [ACCOUNT NUMBER]**

**Step 3:** Write your name and the account number

I am applying for a variation to my loan contract for reasons of financial hardship.

I have reasonable cause to be temporarily unable to meet my obligations under the loan contract.

At the time I entered into the loan contract, [INSERT a description of your circumstances before your financial hardship. For example, "I was employed as a carpenter full time earning \$3,500 per month."].

On or around [DATE/MONTH], [INSERT an explanation of the circumstances that led to your financial hardship. For example, "I lost my job."]. Due to this change in my circumstances I am not able make the repayments that are due under the loan contract.

**Step 4:** Tell the creditor about your change of circumstances

[INSERT the circumstances that give you reason to believe that your financial hardship is temporary. For example, “I am actively looking for work and now receive Centrelink benefits. I have applied for several jobs and I expect to find a new job based on my experience and skills”].

**Step 5:** What are you doing to improve your situation?

I have made what payments I can, in good faith.

However, my change in circumstances, described above, means that I have difficulty meeting my obligations under the contract.

**Step 6:** If you have a good repayment history, tell them about it.

Therefore, I request that [CREDITOR] vary the contract as follows:

1. Repayments be postponed for a period of [3 MONTHS/INSERT A LESSER PERIOD OF TIME] or until my financial hardship ends.
2. The frequency of repayments be amended to [FORTNIGHTLY/WEEKLY/MONTHLY] instalments.
3. The instalment amount be reduced to \$[AMOUNT].
4. Any arrears be added to the end of the contract.
5. The period of the contract be extended by such time to allow me to discharge any arrears.

**Step 7:** State the variation/change you are asking for.

Please provide a written response to my hardship variation application within 21 days.

If you have any questions or would like to discuss this matter further, please contact me on [EMAIL ADDRESS].

Yours sincerely

[YOUR NAME]