*[YOUR BUSINESS NAME]*

*[Australian Credit Licence No. XXXXXX]*

CORRESPONDENCE TEMPLATE PACK

# Hardship Correspondence Templates

*11 ready-to-use customer letters and emails covering a hardship request from first contact to resolution*

| | |
|---|---|
| **Document type** | Correspondence templates (letter & email copy) |
| **Companion to** | Financial Hardship Policy, Hardship Application SOP & IDR/Complaints Correspondence Template Pack |
| **Document owner** | *[Compliance Manager / Responsible Manager name]* |
| **Version** | 1.0 |
| **Effective date** | *[DD/MM/YYYY]* |

### How to use this pack

Each template shows when to send it, the suggested channel, and the timeframe that applies under the *National Credit Code* (cross-referenced to the Financial Hardship Policy). The letter copy itself sits in the **shaded box** below each — copy that into your letter system, CRM or mail-merge tool. Text in *orange italics in square brackets* is a merge field or placeholder — replace or map it before sending. A full field list is in Appendix B.

**Scope:** this pack covers the hardship request itself — acknowledgement through to an approved, declined or closed arrangement. If a customer disputes the outcome, switch to the companion **IDR / Complaints Correspondence Template Pack**, which covers acknowledgement, delay notification and outcome letters for that separate process.

**Tone:** every template is written in plain English, second person, and avoids blaming language — consistent with the Guiding Principles in the Hardship Policy (Section 5). Adjust the voice to match your brand, but keep the substance: reasons for a decision and, where a decision can be disputed, the customer's right to complain and AFCA's contact details.

## Contents

## 1. Acknowledgement of Hardship Notice

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A hardship notice is received on any channel | Email or letter | Within 1 business day of the notice (Policy §8) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX]

Dear *[Customer Name]*,

Thank you for contacting us about your account, *[Account Number]*. We understand this is a difficult time, and we're here to help.

We've recorded your hardship request today, *[Date]*, reference *[XXXX]*. We've also paused any further collection activity on this account while we look into it.

**What happens next**

- If we need any more information from you, we'll be in touch within a few days.
- We'll let you know our decision by *[Decision Due Date]*, in line with the National Credit Code.
- You don't need to do anything else right now unless we contact you.

If your situation changes, or you'd like to talk it through, call us on *[phone]* any time.

Free, independent financial counselling is available through the National Debt Helpline — 1800 007 007, ndh.org.au.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 2. Request for Additional Information

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| We need a specific piece of information to assess the request | Email or letter | Request within 21 days of the notice; new decision clock starts (Policy §8) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — information needed

Dear *[Customer Name]*,

Thanks for your hardship request, reference *[XXXX]*. To finish assessing it, we need the following from you:

- *[Specific item — e.g. an approximate weekly income and expenses figure]*

We've kept this to what we genuinely need — we won't ask for more than this unless your situation changes. Please send it to *[hardship email]* or call us on *[phone]* and we can take it over the phone.

Once we receive this, we'll confirm our decision within 21 days. If we don't hear from you, we'll make a decision based on the information we have by *[Fallback Decision Due Date]*. Collection activity on this account remains on hold in the meantime.

If it would help to talk this through with a free, independent financial counsellor first, call the National Debt Helpline on 1800 007 007 — they can also help you gather this information.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 3. Approval — Repayment Deferral

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A repayment deferral (payment pause) is approved | Letter or email | Confirm in writing before or when the arrangement starts (Policy §11) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — repayment deferral approved

Dear *[Customer Name]*,

Good news — we've reviewed your hardship request and we're able to help.

We're pausing your repayments on account *[Account Number]* from *[Start Date]* to *[End Date]*. Your regular repayments will start again on *[Resumption Date]*.

The payments paused during this time will be *[added to the end of your loan / added to your balance — describe treatment]*. This *[does / does not]* change your repayment amount once the deferral ends — *[insert amount if changed]*.

We won't charge default fees on the paused payments, and there's no need to do anything further unless your circumstances change again — if they do, just get in touch and we'll review this arrangement with you.

We'll contact you before *[Resumption Date]* to check in.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 4. Approval — Reduced Payment Arrangement

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A temporary reduced-payment arrangement is approved | Letter or email | Confirm in writing before or when the arrangement starts (Policy §11) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — reduced payments approved

Dear *[Customer Name]*,

We've reviewed your hardship request and we're able to reduce your repayments for a while.

From *[Start Date]* to *[End Date]*, your repayments on account *[Account Number]* will be *[Reduced Amount]* instead of *[Standard Amount]*. Your usual repayment amount of *[Standard Amount]* will resume from *[Resumption Date]*.

The difference between your reduced and usual payments *[will be added to your balance / will need to be caught up over X months — describe treatment]*.

We'll be in touch before *[Resumption Date]* to check how things are going. If your situation hasn't improved by then, let us know as early as you can so we can look at other options with you.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 5. Approval — Extended Loan Term

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| The loan term is extended to lower ongoing repayments | Letter or email | Confirm in writing before or when the change takes effect (Policy §11) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — loan term extended

Dear *[Customer Name]*,

We've reviewed your hardship request and we're able to extend the term of your loan to bring your repayments down to a more manageable level.

Your loan term on account *[Account Number]* will change from *[Original Term]* to *[New Term]*, effective *[Effective Date]*. Your new repayment amount will be *[New Repayment Amount] [per week/fortnight/month]* (previously *[Previous Amount]*).

**Please note:** extending your loan term means you'll pay more in total interest over the life of the loan — approximately *[$ figure or "an additional amount — see attached schedule"]* more, based on the new term. We want you to have this information before the change takes effect — call us on *[phone]* if you'd like to talk through the numbers or other options first.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 6. Approval — Interest / Fee Reduction or Waiver

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| Interest and/or fees are reduced or waived for a period | Letter or email | Confirm in writing before or when the change takes effect (Policy §11) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — interest/fee reduction approved

Dear *[Customer Name]*,

We've reviewed your hardship request and we're able to reduce the cost of your loan while things are tough.

From *[Start Date]* to *[End Date]*, on account *[Account Number]*, we will: *[reduce your interest rate to X% / waive the following fees: list]*.

This *[does / does not]* change your repayment amount — *[insert detail]*. Your standard terms resume from *[Resumption Date]* unless we agree otherwise before then.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 7. Formal Hardship Variation Notice (change longer than 90 days)

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| An agreed change defers or reduces repayments for more than 90 days | Letter (with email copy) | Must be given within 30 days of agreeing the change — National Credit Code s 74 |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Formal notice of change to your credit contract — Reference [XXXX]

Dear *[Customer Name]*,

**This is a formal notice under section 74 of the National Credit Code.**

Following your hardship request, we've agreed to change the terms of your credit contract for account *[Account Number]*. Because this change affects your repayments for more than 90 days, the law requires us to confirm it in writing, as follows:

- Type of change: *[deferral / reduced payments / extended term / combination]*
- Period the change applies: *[Start Date]* to *[End Date]*
- Your repayment amount during this period: *[Amount]*
- Your repayment amount once this period ends: *[Amount]*
- Any change to fees or interest: *[detail, or "none"]*
- Date this notice was given: *[Date — must be within 30 days of the agreement]*

Keep this notice with your credit contract documents. If anything here doesn't match what you understood we'd agreed, contact us straight away on *[phone]*.

**If you're not satisfied with this decision**

You can ask us to review it — see the contact details above. If you're still not satisfied, you can contact the Australian Financial Complaints Authority (AFCA), free of charge:

- Online: afca.org.au
- Phone: 1800 931 678
- Email: info@afca.org.au
- Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 8. Confirmation — Short-Term Informal Arrangement (90 days or less)

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| An agreed change affects repayments for 90 days or less | Email or letter | No formal notice required by law, but confirm in writing as good practice (Policy §10) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Confirming your short-term arrangement — Reference [XXXX]

Dear *[Customer Name]*,

As discussed, here's a summary of the short-term arrangement we've agreed for account *[Account Number]*:

- Arrangement: *[e.g. reduced payments of $X]*
- Period: *[Start Date]* to *[End Date]* (90 days or less)
- Your repayments return to *[Standard Amount]* from *[Resumption Date]*

If anything here doesn't match your understanding, or your situation changes before *[Resumption Date]*, let us know as soon as you can.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 9. Decline — Hardship Request Not Approved

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A hardship request cannot be approved as requested | Letter (always in writing — never verbal only) | Within the applicable maximum: 21 or 28 days from the notice (Policy §8) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship request — Reference [XXXX] — outcome

Dear *[Customer Name]*,

Thank you for letting us know about your situation, and for the information you provided. We've carefully reviewed your hardship request for account *[Account Number]*.

**We're not able to approve the change you asked for.**

Here's why: *[Explain the reasons in plain language, addressing the specific issues the customer raised — e.g. why the proposed arrangement isn't considered sustainable, or what information was missing]*.

*[If a different or partial arrangement is possible, offer it here — e.g. "We may be able to offer X instead — call us on [phone] to discuss."]*

If you don't agree with this decision, you can ask us to review it as a formal complaint — see our IDR / Complaints correspondence for what happens next, or just get in touch and we'll start that process for you.

**If you're not satisfied with this decision**

You can ask us to review it — see the contact details above. If you're still not satisfied, you can contact the Australian Financial Complaints Authority (AFCA), free of charge:

- Online: afca.org.au
- Phone: 1800 931 678
- Email: info@afca.org.au
- Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Free, independent financial counselling is available through the National Debt Helpline — 1800 007 007, ndh.org.au.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 10. Review Reminder — Arrangement Ending Soon

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A hardship arrangement is due to end within the next 2–3 weeks | Email or SMS, with letter on request | Contact before the end date (Policy §8, Step 6) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Your hardship arrangement is ending soon — Reference [XXXX]

Dear *[Customer Name]*,

Just a heads-up that your current arrangement on account *[Account Number]* ends on *[Resumption Date]*. After that date, your repayments will return to *[Standard Amount]*.

If things have improved, you don't need to do anything — your regular repayments will simply resume.

If you're still finding things difficult, get in touch before *[Resumption Date]* on *[phone]* or *[hardship email]* — we'll treat this as a new hardship request and look at your options again with you.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## 11. Referral — Financial Counselling & Support Services

| Send when... | Suggested channel | Timeframe (see Policy) |
|---|---|---|
| A customer may benefit from extra support — general hardship, or vulnerability indicators | Email, letter, or read aloud on a call | Any time — no evidence or formal trigger required (Policy §13) |

*[Date]*

*[Customer Name]*
*[Address Line 1]*
*[Address Line 2]*

**Re:** Some support that might help

Dear *[Customer Name]*,

Thanks for talking this through with us. On top of what we've arranged with you directly, you might find these free, independent services helpful:

- **National Debt Helpline** — 1800 007 007, ndh.org.au — free financial counselling, for any kind of debt, not just with us.
- **1800RESPECT** — 1800 737 732, 1800respect.org.au — support for family and domestic violence, available 24/7.
- **Moneysmart** — moneysmart.gov.au — free tools and guidance on managing money and debt.
- *[Your organisation's nominated support partner, if any]*

You're welcome to reach out to any of these — or to us — at any time. There's no paperwork or evidence needed to ask us for help.

Yours sincerely,

*[Your Name]*
*[Your Title]*
*[Your Business Name]*
*[phone]* | *[hardship email]*

## Appendix A — Standard Boilerplate Blocks

Drop these blocks into any other customer correspondence that needs them.

### AFCA referral block

**If you're not satisfied with this decision**

You can ask us to review it — see the contact details above. If you're still not satisfied, you can contact the Australian Financial Complaints Authority (AFCA), free of charge:

- Online: afca.org.au
- Phone: 1800 931 678
- Email: info@afca.org.au
- Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

### National Debt Helpline block

Free, independent financial counselling is available through the National Debt Helpline — 1800 007 007, ndh.org.au.

### Privacy note (short form)

We handle your information in line with our Privacy Policy — *[link/reference]*. We only share it outside our organisation where needed to assess your request, as required by law, or with your consent.

## Appendix B — Merge Field Reference

Use this list to set up mail-merge or CRM template fields once, then apply them across the whole pack.

| Field | What it is |
|---|---|
| [Customer Name] | Customer's full name (or preferred name, per their contact preference) |
| [Account Number] | Loan / account / reference number |
| [Address Line 1] / [Address Line 2] | Customer's postal address, for letter versions |
| [Date] | Date the letter/email is sent |
| [XXXX] | Hardship request reference number |
| [Decision Due Date] / [Fallback Decision Due Date] | Date by which a decision is due, per the timeframe rules in Policy Section 8 |
| [Start Date] / [End Date] / [Resumption Date] / [Effective Date] | Dates marking the start, end, and resumption of an arrangement |
| [Amount] / [Standard Amount] / [Reduced Amount] / [New Repayment Amount] / [Previous Amount] | Repayment figures — populate from your loan management system |
| [Original Term] / [New Term] | Loan term before and after an extension |
| [Your Name] / [Your Title] / [Your Business Name] | Signatory details |
| [phone] / [hardship email] | Your organisation's hardship team contact details |