



## “Introducing Urgency into the Debt Negotiation Process”

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Offers to resolve your overall commercial debt burden should always be presented in *dollar amounts*, rather than percentages of amounts owed.

It is important to note that when these non-responsive creditors contact you, they have traditionally sought a higher settlement amount. It is common for a creditor to say, “Well, we can’t accept your offer but if we could get it up to say 50%, we might be able to make some accommodation.”

You would again reinforce that a payment of \$\_\_\_\_\_ could be dedicated to the creditor to resolve the claim. The amount offered (12% of amount owed) should be an odd amount, like \$3,732.78.

This to-the-penny-offer may generate a comment from the creditor indicating that the amount is an odd amount.

You need only to reply:

“Yes, it is. It is the exact amount of funds remaining in the reserve account. Would you like me to make arrangements for those funds to be allocated to you?”

What do you think the creditor’s response might be?

If the creditor responds in the affirmative, indicating a willingness to accept the offer, you will only have to close the case. It is important not to close the door on the negotiation process at this point. If the creditor in-



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icates an unwillingness to accept the 12% offer, do not panic. Simply reinforce the position previously presented in the original fax that “should an offer be rejected by a claimant, that claim shall not be reviewed again until we have dealt with all claimants.”

By introducing the idea that there are multiple creditors at the table waiting to consume your limited resources, you induce a sense of urgency since they will want to get “to the front of the line.”