



“Use Story Elements When Negotiating Down Your Overall Commercial Debt Burden”

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Part of “selling your story” is indicating that while the debtor is faced with overwhelming financial conditions, you also indicated that one realizes a certain responsibility in this matter. Further, you want to “do the right thing” by paying as much as possible to avoid make a bad situation worse.

Keep in mind, that many creditors do not want to face the prospect of having to chase you through a year or two of going to bankruptcy court, only to collect nothing. You might not be thinking of going through bankruptcy, but believe me I have used it many times to make a point with a creditor and the fear alone does in fact work. As they old saying goes, “Part of a loaf is sometimes better than no loaf at all.”

When a settlement letter suggests that you “feel badly” about what has occurred, that you want to do the right thing, and that you are attempting to act responsibly to resolve the matter to the best of your ability, in essence, you are apologizing. This tends to personalize or humanize the situation.

So, this part of the settlement letter is extremely important as it may accomplish the following:

- Suggests an admission to a certain responsibility in this matter
- Offers a perceived apology by you
- Suggests that an out-of-court settlement is desired
- Suggests exploring options to resolve the matter
- Sets the tone for justifying considering the settlement offer

By presenting these elements properly, in portraying a desperate yet



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apologetic climate on your part, one should find that in many cases the settlement offer will be accepted, signed and returned by fax within twenty-four hours. If the tone of these elements of the letter is proper and the subsequent offer makes sense, it will be easy for the creditor, or their representative, to justify accepting the offer, thus putting this matter behind all parties involved.