

Letter of Understanding: Promotional Credit Impact

Date: [Insert Date]

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Recipient Name]

[Company Name]

[Company Address]

[City, State, Zip Code]

Dear [Recipient Name],

I am writing to confirm my understanding of the impact that promotional credit can have on my credit profile. I appreciate the opportunity to explore promotional credit offers, and I want to ensure that I am fully aware of how these impact my credit score and overall financial health.

Based on our previous discussions, I understand that:

- Promotional credit may increase my credit utilization ratio.
- Late payments on promotional credit can adversely affect my credit score.
- Opening new credit accounts can temporarily lower my credit score due to hard inquiries.

Please confirm if the above points are accurate and if there are any additional considerations I should keep in mind. I value the insights you provide as I navigate my financial options.

Thank you for your assistance in this matter. I look forward to your prompt response.

Sincerely,

[Your Name]