

Prepayment Penalty Disclosure

Date: [Insert Date]

[Borrower's Name]

[Borrower's Address]

[City, State, Zip Code]

Dear [Borrower's Name],

This letter serves as a formal disclosure regarding the prepayment penalties associated with your loan agreement dated [Insert Loan Date].

As per the terms of your loan, if you choose to pay off your loan earlier than the scheduled maturity date, a prepayment penalty may be assessed. The details of the prepayment penalty are as follows:

- Amount of Penalty: [Insert Amount]
- Effective Period: [Insert Period]
- Conditions for Waiver: [Insert Conditions]

Please review this information carefully. Should you have any questions or require further clarification, feel free to contact us at [Insert Contact Information].

Thank you for your attention to this matter.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

[Company Address]

[City, State, Zip Code]

[Phone Number]