

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email Address]

[Date]

[Name of Contact Person, if available]
[Name of Creditor/Collection Agency]
[Address]
[City, State, Zip Code]

RE: Settlement Proposal for Account Number: [Your Account Number]

Dear [Name of Contact Person or Debt Collections Department],

This letter follows my previous communications regarding the balance owed on the above-referenced account. I am writing to submit a **final** formal offer to settle this debt in full.

Currently, my financial situation is such that I cannot pay the full balance of \$[Total Amount Owed]. I am prepared to offer a one-time, lump-sum payment of \$[Offer Amount] as full and final settlement of this debt. This offer is made in an effort to resolve this matter without pursuing further legal or insolvency options.

This offer is contingent upon the following terms:

- The payment of \$[Offer Amount] will be accepted as full and final satisfaction of the entire debt.
- Upon receipt of payment, your company will release me from any further liability or obligation regarding this account.
- Your company will report the account to all relevant credit bureaus as "Settled in Full," "Paid in Full," or "Account Closed - Paid as Agreed."
- No further collection activity will be taken against me, and the account will not be sold or transferred to another collection agency.

Please provide a written response on company letterhead confirming your acceptance of these terms. Once I receive the written agreement signed by an authorized representative, I will issue payment via [Certified Check/Money Order/Electronic Transfer] within [Number of Days] business days.

Please note that this is my final offer. If this proposal is not accepted by [Expiration Date], I will be forced to re-evaluate my financial priorities and may not be able to make this funds available in the future.

I look forward to your prompt response.

Sincerely,

[Your Signature]

[Your Printed Name]