

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

[Date]

[Creditor Name]
[Settlement Department]
[Creditor Address]
[City, State, Zip Code]

Re: Settlement Offer for Account Number: [Your Account Number]

Dear [Name of Contact Person or Department],

I am writing this letter to formally request a settlement of my outstanding debt with [Creditor Name]. Due to unexpected financial hardship caused by [Reason: e.g., job loss, medical emergency, or divorce], I am currently unable to pay the full balance of \$[Total Balance Owed].

I am committed to resolving this obligation, but my current financial situation makes the full amount unmanageable. I would like to offer a one-time, lump-sum payment of \$[Offer Amount] as full and final settlement of this debt. This amount represents [Percentage]% of the total balance.

If you accept this offer, I request that you agree to the following terms:

- The payment of \$[Offer Amount] will be accepted as payment in full for the account.
- The account will be reported to the credit bureaus as "Settled in Full" or "Paid as Agreed."
- All further collection efforts will cease immediately upon receipt of the funds.
- Any remaining balance will be waived, and I will be released from any further liability regarding this debt.

Please provide a written agreement confirming your acceptance of these terms on your company letterhead. Once I receive the signed agreement, I will send the funds via [Payment Method, e.g., Certified Check] within [Number] business days.

Thank you for your time and for considering my request during this difficult time. I look forward to your response.

Sincerely,

[Your Signature]

[Your Printed Name]