

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

[Date]

[Name of Creditor or Collection Agency]
[Address]
[City, State, Zip Code]

RE: Account Number [Your Account Number]

Dear [Contact Person Name or Collections Department],

I am writing to offer a formal proposal to settle the outstanding balance on the above-referenced account. Due to unexpected financial hardship, I am unable to pay the full balance of \$[Total Amount Owed].

I am prepared to offer a one-time lump sum payment of \$[Amount You Offer] as full and final settlement of this debt. This offer is contingent upon your agreement to the following terms:

- The payment of \$[Amount You Offer] will be accepted as full satisfaction of the debt.
- Your company will waive any remaining balance, interest, and fees.
- You will report the account to all credit bureaus as "Settled in Full" or "Paid in Full."
- No further collection efforts will be pursued against me for this debt.

Please note that this offer is valid until [Expiration Date]. If this proposal is acceptable, please provide a written agreement on your company letterhead confirming these terms. Once I receive the written confirmation, I will send the payment via [Method of Payment, e.g., Certified Check] within [Number] business days.

Thank you for your time and consideration of this matter.

Sincerely,

[Your Signature]

[Your Printed Name]