

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

[Date]

[Creditor or Collection Agency Name]
[Contact Person, if known]
[Address]
[City, State, Zip Code]

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

To Whom It May Concern,

I am writing to you regarding the balance you claim I owe for the above-referenced account. This letter serves as a formal offer to settle the debt in full before any formal litigation is initiated.

Currently, the outstanding balance is stated as \$[Total Amount Owed]. Due to financial hardship, I am unable to pay the full balance. However, I am prepared to offer a one-time, lump-sum payment of \$[Offer Amount] to settle this account in full.

Acceptance of this offer is contingent upon the following terms:

- The payment of \$[Offer Amount] will be accepted as full and final satisfaction of the debt.
- Your company agrees to waive all remaining interest, penalties, and fees.
- Your company agrees to cease all collection activities and will not initiate legal action regarding this debt.
- Upon receipt of payment, your company will report this account to all credit bureaus as "Settled in Full," "Paid as Agreed," or as having a zero balance.

If these terms are acceptable, please provide a written agreement signed by an authorized representative of your company. Once I receive the signed agreement, I will issue the payment via [Method of Payment, e.g., Certified Check] within [Number] business days.

Please note that this offer is made solely for the purpose of settlement and does not constitute an admission of liability or the validity of the debt.

I look forward to your response by [Date].

Sincerely,

[Your Signature]

[Your Printed Name]