

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

[Date]

[Lender Name]
[Lender Address]
[City, State, Zip Code]

RE: Account Number: [Your Account Number]

Dear [Contact Person or Department Name],

I am writing to formally propose a settlement regarding the outstanding balance on the above-referenced unsecured personal loan. As you are aware, I am currently experiencing significant financial hardship and am unable to pay the full balance of \$[Total Amount Owed].

I am offering a one-time, lump-sum payment of \$[Settlement Amount] as full and final satisfaction of this debt. This offer is contingent upon [Lender Name] agreeing to the following terms:

- The payment of \$[Settlement Amount] will be accepted as payment in full for the account.
- [Lender Name] expressly waives any and all rights to pursue a deficiency judgment against me for the remaining balance.
- [Lender Name] agrees to cease all collection activities and will not sell or transfer the remaining balance to any third-party debt buyer.
- [Lender Name] will report the account to the credit bureaus as "Settled in Full" or "Paid as Agreed" with a zero balance.

Please provide written confirmation of your acceptance of these terms on company letterhead. Once I receive the signed agreement, I will forward the funds via [Certified Check/Wire Transfer/Money Order] within [Number] business days.

If these terms are acceptable, please sign below and return a copy to me.

Sincerely,

[Your Signature]

[Your Printed Name]

Acceptance of Settlement and Waiver of Deficiency

Authorized Representative Name: _____

Title: _____

Signature: _____

Date: _____