

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

[Date]

[Creditor or Collection Agency Name]
[Recipient Department, 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 outstanding balance on the above-referenced account. I am currently experiencing severe financial hardship due to a permanent disability that has significantly impacted my ability to generate income.

Due to my medical condition, I am no longer able to work, and my only source of income is [mention source, e.g., Social Security Disability Insurance (SSDI)]. After paying for essential living expenses and medical costs, I have no remaining funds to maintain my current monthly payments toward this debt.

I wish to resolve this account permanently. I have managed to secure a one-time sum of money from [mention source, e.g., a family member or small lump sum payment] and would like to offer a settlement of \$[Amount] to settle the account in full. This amount represents [Percentage]% of the current total balance.

Please understand that this is my final and best offer, as I do not have the means to make any further payments. If you accept this proposal, I request a written agreement stating that:

- The offered amount will be accepted as payment in full for the entire balance.
- The account will be reported to credit bureaus as "Settled in Full" or "Paid in Full."
- No further collection actions will be taken against me regarding this debt.
- All remaining balances will be waived and forgiven.

I have attached [mention documents, e.g., a doctor's letter or disability benefit award letter] as proof of my permanent disability and financial status.

Please respond in writing within [Number] days to confirm your acceptance of this offer. Upon receipt of your written agreement, I will send the funds via [mention payment method, e.g., certified check or electronic transfer].

Thank you for your time and understanding regarding my situation.

Sincerely,

[Your Signature]

[Your Printed Name]