

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

[Date]

[Name of Creditor or Collection Agency]
[Department Name, if applicable]
[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. Due to severe financial hardship, I am currently unable to meet my original payment obligations.

I have carefully reviewed my finances and am exploring all options to avoid filing for bankruptcy. Before I proceed with a bankruptcy filing, I would like to offer a one-time, lump-sum settlement to resolve this debt in full.

I am prepared to offer the amount of **\$[Insert Dollar Amount]** as a full and final settlement of the debt. This amount represents approximately [Insert Percentage]% of the current balance of **\$[Insert Total Balance]**.

This offer is contingent upon the following conditions:

- The payment is accepted as full and final satisfaction of the debt.
- You agree to cease all further collection efforts and legal actions.
- You agree to report this account to the credit bureaus as "Settled in Full" or "Paid in Full."
- This agreement is confirmed in writing on your company letterhead before I send the funds.

Please understand that my financial situation is critical, and this is the maximum amount I can offer at this time. If we cannot reach an agreement, I may have no alternative but to include this debt in a bankruptcy filing.

Please respond to this offer by [Insert Date, e.g., 10 business days from today]. I look forward to resolving this matter amicably.

Sincerely,

[Your Signature]

[Your Printed Name]