

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

[Date]

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

Re: Account Number: [Your Account Number]

Dear [Name of Contact Person or Department],

I am writing to discuss a settlement for the outstanding balance on the above-referenced account. Currently, the records show a balance of \$[Total Amount Owed].

Due to financial hardship, I am unable to pay the full balance in a single lump sum. However, I am committed to resolving this debt. I would like to propose a formal installment payment plan to settle the account in full for the reduced amount of \$[Total Settlement Amount].

I propose to pay this settlement amount in [Number of Months] monthly installments of \$[Monthly Payment Amount] each. These payments would begin on [Start Date] and continue on the [Day of the Month] of each subsequent month until the total settlement amount is paid.

Upon receipt of the final payment, I request that [Creditor Name] considers this debt paid in full and updates my credit report to reflect that the account has been "Satisfied" or "Paid as Agreed."

Please provide a written agreement confirming your acceptance of these terms. Once I receive the signed agreement, I will begin making the payments as outlined above.

Thank you for your time and for working with me to resolve this matter.

Sincerely,

[Your Signature]

[Your Printed Name]