

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

[Date]

[Lender or Collection Agency Name]
[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 payday loan account referenced above. I am currently experiencing significant financial hardship and am unable to pay the full balance of **[\$[Insert Total Balance]**.

In an effort to resolve this matter before any formal litigation is initiated, I am offering a one-time, lump-sum payment of **[\$[Insert Settlement Amount]** as a full and final settlement of this debt. This offer represents approximately **[Insert Percentage, e.g., 50%]** of the current balance.

This offer is contingent upon the following terms:

- The payment of the settlement amount will serve as a complete release of all further liability regarding this account.
- Upon receipt of the funds, you will update my credit reports with all relevant credit reporting agencies to reflect the account as "Settled in Full" or "Paid in Full."
- You agree to cease all further collection efforts and will not sell the remaining balance to another third party.

If these terms are acceptable, please provide a written agreement on company letterhead confirming your acceptance. Once I receive the signed agreement, I will remit the funds via **[Insert Payment Method, e.g., Certified Check]** within **[Insert Number of Days]** business days.

Please note that this letter is for settlement purposes only and does not constitute an admission of the validity of the debt or a waiver of any legal rights.

I look forward to your prompt response.

Sincerely,

[Your Signature]

[Your Printed Name]