

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

[Date]

[Creditor/Collection Agency Name]
[Address]
[City, State, Zip Code]

RE: Settlement Offer for Account Number: [Your Account Number]

Dear [Name of Contact Person or Collections Department],

I am writing regarding the outstanding balance on the above-referenced payday loan account. Due to unexpected financial hardship, I am currently unable to pay the full balance including the accrued interest and fees.

I would like to resolve this debt amicably. I am offering a one-time, lump-sum payment of \$[Insert Principal Amount Only], which represents the original principal amount borrowed. This offer is contingent upon the following terms:

- The payment of \$[Amount] will be accepted as full and final settlement of the debt.
- All remaining interest, late fees, and penalties will be waived.
- The account will be reported to all credit bureaus as "Paid in Full" or "Settled in Full."
- Your company will cease all further collection activities and legal actions regarding this account.

If you agree to these terms, please provide a written letter of acceptance on your company letterhead. Once I receive the written agreement, I will issue the payment via [Certified Check/Money Order] within [Number] business days.

Please note that this offer is made for settlement purposes only and does not constitute an admission of the validity of the full debt claimed.

I look forward to your response by [Date].

Sincerely,

[Your Signature]

[Your Printed Name]