

WITHOUT PREJUDICE

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

[Date]

[Creditor/Collection Agency Name]
[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 regarding the above-referenced account. I acknowledge my financial obligation to your company, but I am currently experiencing severe financial hardship and am unable to pay the full balance of \$[Total Balance Amount].

In an effort to resolve this matter, I am offering a one-time, lump-sum payment of \$[Offer Amount] as full and final settlement of this debt. This offer represents [Percentage]% of the current balance.

This offer is made on the condition that:

- You accept the payment as full and final settlement of the debt.
- You agree to cease all further collection activity and legal action regarding this account.
- You agree to report this account to all credit bureaus as "Satisfied in Full," "Paid as Agreed," or "Settled," and ensure no further negative reporting occurs regarding this balance.
- You provide written confirmation of your acceptance of these terms before I issue the payment.

Please note that this offer is made "Without Prejudice" and does not waive any of my rights or defenses should we be unable to reach an agreement.

I look forward to receiving your written response within [Number of Days, e.g., 14] days. Upon receipt of your written acceptance, I will arrange for the payment to be sent via [Payment Method, e.g., Cashier's Check/Bank Transfer].

Sincerely,

[Your Signature]

[Your Printed Name]