

[Date]

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

RE: Settlement Agreement and Payment Plan Confirmation

Account Number: [Your Account Number]
Total Outstanding Balance: \$[Amount]

Dear [Contact Name or Department],

This letter serves as formal confirmation of the debt settlement agreement reached between [Your Name] and [Creditor/Collection Agency Name] on [Date of Agreement].

It is agreed that [Creditor Name] will accept a total settlement amount of \$[Settlement Amount] as full and final satisfaction of the above-referenced account. This settlement will be paid according to the following monthly payment plan:

- **Payment Amount:** \$[Monthly Amount]
- **Number of Payments:** [Number]
- **Start Date:** [Date]
- **Final Payment Date:** [Date]

Upon receipt of the final payment, [Creditor Name] agrees to consider the debt settled in full and will release [Your Name] from any further liability regarding this account. Furthermore, [Creditor Name] agrees to report the account to the credit bureaus as "Settled" or "Paid in Full for less than the full balance" within 30 days of the final payment.

Please sign and return a copy of this letter, or provide a written confirmation on your company letterhead, to acknowledge and validate these terms before the first payment is issued.

Sincerely,

[Your Signature]
[Your Printed Name]
[Your Phone Number]

Creditor Acceptance:

Authorized Signature: _____ Date: _____