

[Your Name]
[Your Address]
[Your Phone Number]
[Your Email Address]

[Date]

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

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

Dear [Name of Contact Person or Department],

I am writing to you in my capacity as the guarantor for the debt incurred by [Primary Debtor Name]. As you are aware, the account is currently in default.

Due to financial hardship, I am unable to fulfill the total outstanding balance of \$[Total Balance Amount]. However, I would like to resolve this matter amicably. I am proposing a settlement payment arrangement as follows:

- **Settlement Amount:** I offer to pay a total sum of \$[Settlement Amount] as full and final settlement of the debt.
- **Payment Structure:** [Choose one: This will be a single lump-sum payment OR This will be paid in installments of \$X per month starting on Date].

This offer is contingent upon the following conditions:

1. Upon receipt of the agreed-upon amount, you agree to release me from all further obligations and liabilities regarding this guarantee.
2. The account will be reported to credit bureaus as "Settled in Full" or "Paid as Agreed."
3. All collection activities and legal proceedings against me will cease immediately.

Please provide a written response within [Number] days to confirm your acceptance of these terms. Once I receive your written agreement on company letterhead, I will issue the payment accordingly.

Sincerely,

[Your Signature]
[Your Printed Name]