

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

[Date]

[Name of Debt Collection Agency]
[Compliance Department or Legal Department]
[Agency Address]
[City, State, Zip Code]

RE: Notice of Dispute, Demand for Settlement, and Opt-Out of Binding Arbitration

Account Number: [Your Account Number]

To Whom It May Concern,

I am writing to formally dispute the debt associated with the above-referenced account. I am also providing notice of my intent to pursue legal action for violations of the Fair Debt Collection Practices Act (FDCPA) and relevant state consumer protection laws.

I have identified the following unfair or deceptive collection practices regarding this account:
[List specific violations, e.g., harassment, false statements, failure to provide verification, or unauthorized fees.]

Settlement Demand

To avoid formal litigation or arbitration, I am proposing a full and final settlement of this matter. I demand that [Collection Agency Name] agrees to the following terms:

1. Immediate cessation of all collection activities and communication regarding this account.
2. Complete deletion of any reporting related to this account from all credit reporting agencies (Experian, Equifax, and TransUnion).
3. A formal release of liability stating I owe no further balance on this account.
4. [Optional: Payment of \$_____ in statutory damages for FDCPA violations.]

Opt-Out of Arbitration

To the extent that any underlying agreement exists between myself and the original creditor or your agency, I hereby exercise my right to opt-out of any binding arbitration provisions. I do not consent to resolving this dispute through arbitration and reserve my right to pursue this matter in a court of law.

Response Required

Please provide a written response accepting these terms within [Number, e.g., 14] days of receipt of this letter. Failure to reach a settlement will result in the filing of a formal complaint with the Consumer Financial Protection Bureau (CFPB) and the initiation of legal proceedings.

Sincerely,

[Your Signature]

[Your Printed Name]